



BOARD OF DIRECTORS MEETING

6.17.2022 • Nebraska Cattlemen Office, 4611 Cattle Drive, Lincoln, NE 68508

June is National Homeownership Month

"I call upon the people of this Nation to safeguard the American Dream by ensuring that everyone has access to an affordable home in a community of their choice."

~ President Joseph R. Biden Jr.

May 31, 2022



NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING

Friday, June 17, 2022
9:00 a.m.

Nebraska Cattlemen Office
4611 Cattle Drive, Lincoln NE

Notice Published: June 12, 2022 – Omaha World Herald
June 12, 2022 – Lincoln Journal Star

AGENDA

Open Meetings Act – Copies of the Open Meetings Act are located on the table at the entrance to the meeting room, posted against the wall and are online at <https://www.nifa.org/about/board-of-directors>

1. Call Meeting to Order and Roll Call – 5 minutes
2. Public Comment Related to the June 17, 2022 Agenda Items (comment period limited to five minutes) – 5 minutes
3. Consent Agenda – 5 minutes
 - a. April 22, 2022 NIFA Board of Director Meeting Minutes
 - b. Executive Director's Report
 - c. Report from Programs Committee
 - d. Report on Agricultural Program, Including Loans in Process
 - e. Report on Homeownership Program
 - f. Report on Homeowner Assistance Fund

AGENDA

June 17, 2022

- g. Report on Community Engagement Activities
- h. Report on Collaborative Resource Allocation of Nebraska (CRANE)
- i. Private Activity Bond Cap Summary
- j. Re-Appointment of Standing Committee Members Pursuant to the Bylaws

Consideration of a Motion to Approve the Minutes and Accept the Reports on the Consent Agenda as Presented

Action Items – 90 minutes

General – 10 minutes

- 4. Consideration of a Motion to Approve Bond Resolution #DEV-264 Authorizing the Issuance of Nebraska Investment Finance Authority Drinking Water State Revolving Fund Revenue Bonds, in one or more Series 2022 (the “2022” DWSRF Bonds”) in the Aggregate Principal Amount of not to Exceed \$5,000,000 for the Purpose of Providing Funds to the Nebraska Department of Environment and Energy to Provide Loans to Owners of Public Water Supply Systems in Connection with the Drinking Water State Revolving Fund Program – 5 minutes
- 5. Consideration of a Motion to Approve Bond Resolution #DEV-265 Authorizing the Issuance of Nebraska Investment Finance Authority Clean Water State Revolving Fund Revenue Bonds, in one or more Series 2022 (the “2022 CWSRF Bonds”) in the Aggregate Principal Amount of not to Exceed \$3,000,000 for the Purpose of Providing Funds to the Nebraska Department of Environment and Energy to Provide Loans to Nebraska Municipalities and Counties in Connection with the Clean Water State Revolving Fund Program – 5 minutes

Audit Committee – 15 minutes

- 6. Update on FY 2022 Audit Process – 10 minutes
- 7. Consideration of a Motion to Authorize the Selection by the Executive Director of an Independent Certified Public Accounting Firm to Perform the Annual Financial Audit of NIFA for Fiscal Year Ended June 30, 2022 – 5 minutes

AGENDA

June 17, 2022

Programs Committee – 40 minutes

8. Update on ARPA Funds Procedures and Processes – 5 minutes
9. Review and Consideration of the Adoption of Resolution No. 463 with Respect to Establishing and Allocating Funds to the LIHTC Gap Financing Account within the Nebraska Opportunity Fund for the Purpose of Providing a Portion of the Financial Assistance in Connection with the LIHTC Gap Financing Program to be Deployed by the Nebraska Department of Economic Development and Administered by the Nebraska Investment Finance Authority and Authorizing the Issuance of Limited Obligation Notes/Bond and Other Limited Obligations of NIFA to Additionally Assist in the Funding of Loans to be Made Pursuant to the LIHTC Gap Financing Program – 5 minutes
10. Consideration of a Motion to Authorize the Executive Director, in the Discretion of the Executive Director, to Increase Existing 2020/2021 Conditional Allocations of 9% Low Income Housing Tax Credits/Nebraska Affordable Housing Tax Credits by Re-allocating Returned 2020 and/or 2021 9% LIHTC/AHTC in Connection with the LIHTC Gap Funding Program and Application Process with Respect to the Distribution of Certain Federal Funds Appropriated for Development of Affordable Housing Units Eligible for Federal 4% and 9% LIHTC Programs – 5 minutes
11. Consideration of Approval of Conditional Reservations for 2022 Low Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs – 15 minutes
12. Update on the Purchase Price Limits Set by the Executive Director for the NIFA Single Family Housing Program and the Workforce Housing Program – 10 minutes

Governance Committee – 25 minutes

13. Consideration of a Motion to Approve NIFA's Operating Budget for Fiscal Year July 1, 2022 through June 30, 2023 – 20 minutes
14. Nomination and Election of Vice-Chair – 5 minutes

AGENDA

June 17, 2022

Strategic Topic – 20 minutes

15. Lines of Business Improvement and/or Expansion Discussion – 20 minutes

NIFA Highlights – 5 minutes

16. Announcements and Discussion of Upcoming Events

- a. Annual Report Updates and Introduction of New Staff:
 - o Marketing Manager – Dawn Steffen
 - o Compliance & Inspection Specialist – Barney Helton
- b. Next Meeting: August 19, 2022 in Valentine, NE

17. Adjournment



**NEBRASKA INVESTMENT FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

**The Venue at Highlander
2120 North 30th Street, Omaha, NE**

**Bus/Van Tour to Leave from The Venue at Highlander upon the Conclusion of the
Business Portion of the Meeting**

MINUTES OF FRIDAY, April 22, 2022 – 9:00 A.M.

**Notice Published: April 17, 2022 – Omaha World Herald [Affidavit Attached]
April 17, 2022 – Lincoln Journal Star [Affidavit Attached]**

Open Meetings Act – Copies of the Open Meetings Act are located on the table at the entrance to the meeting room, posted against the wall and online at
<https://www.nifa.org/about/board-of-directors>

All votes taken by roll call of the members.

Board Members Present: Tony Goins
George Achola
Susan Bredthauer
Warren Arganbright
Colten Zamrzla
Michael Walden-Newman
Herb Freeman
Galen Frenzen

Board Members Absent: Steve Wellman

NIFA Staff Present: Shannon Harner, Executive Director and Board Secretary
Sheila Gans, Program Support Specialist and Board Clerk
Christie Weston, Deputy Director
Robin Ambroz, Deputy Director of Programs and Marketing
David Young, Chief Technology and Operations Officer

Pamela Otto, LIHTC Assistant Allocation Manager
Kelly Schultze, LIHTC Compliance Manager
Tammy Burd, LIHTC Assistant Compliance Manager
Dudley Beyer, Agricultural Program Manager
Joe Spitsen, Program & Education Coordinator

Guests:

Rob Woodling, Foundations Development
Jake Hoppe, Hoppe Development
Lynn Kohout, NDED
Thomas Judds, Little Salt Development and Lincoln Housing Authority
Matthew Cavanaugh, Holy Name Housing Corporation
Joel VanderVeen, Erika Lynch and Patti Peterson, Kutak Rock LLP

1. Call Meeting to Order and Roll Call

Chair Goins called the meeting to order at 9:06 a.m. with eight members present. Goins reported that copies of the Open Meetings Act were posted on the side wall and located on the table at the entrance to the room and posted on the NIFA website. The notice of the meeting was published on Sunday, April 17, 2022 in the Omaha World Herald and Lincoln Journal Star. Affidavits of publication are attached.

2. Public Comment Related to the April 22, 2022 Agenda Items (comment period limited to five minutes)

Chair Goins opened the public comment period and asked if anyone wished to comment on any of the agenda items and directed that they come forward and state their name for the record. No individuals came forward and the public comment period was closed.

3. Consent Agenda

Chair Goins introduced the Consent Agenda and asked if any board member wished an item be removed from the Consent Agenda and placed on the agenda. No items were removed from the Consent Agenda.

- a. February 18, 2022 NIFA Board of Director Meeting Minutes
- b. Executive Director's Report
- c. Report on Agricultural Program, Including Loans in Process
 - Borrower: Zeth Bittfield
 - Purpose: Purchase of approximately 77.5 acres of farm real estate – Adams County, Nebraska
 - Purchase price: \$921,375
 - NIFA loan/bond amount: \$460,695
 - Interest rate through NIFA of 4.25% fixed (Market rate: 5.30% fixed)
 - Bondholder: Adams County Bank – Kenesaw, Nebraska
- d. Report on Homeownership Program
- e. Report on Homeowner Assistance Fund
- f. Report on Community Engagement Activities

- g. Report on Collaborative Resource Allocation of Nebraska (CRANE)
- h. Private Activity Bond Cap Summary

MOTION: Moved by Achola, seconded by Zamrzla to approve the minutes, and accept the reports on the Consent Agenda as presented.

Via roll call vote, the following votes were recorded:

Voting AYE: Zamrzla, Arganbright, Frenzen, Goins, Walden-Newman, Bredthauer, Achola and Freeman.

Absent: Wellman

The motion passed unanimously.

Action Items

General

4. Discussion Regarding Issuance of Bonds for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund, Together in an Amount not to Exceed \$6,525,000 consisting of two or more Series of Bonds, and Approval of a Notice to the Governor and Clerk of the Legislature and the Filing Thereof

Christie Weston reported that the Nebraska Department of Environment and Energy (NDEE) has informed NIFA of the need to issue bonds for the Clean Water State Revolving Fund Program (the "CWSRF") and the Drinking Water State Revolving Fund Program (the "DWSRF"). Proceeds of the bonds will be used to satisfy the state match requirements for federal capitalization grants (the "Grants") under the Federal Clean Water Act for the CWSRF and under the Federal Safe Drinking Water Act for the DWSRF. The size of the bonds is not expected to exceed approximately \$3.0 million for the CWSRF and \$5.0 million for the DWSRF. The bonds will be issued to provide state match for the FY 2022 Grants totaling approximately \$17.212 million for the CWSRF and \$28.993 million for the DWSRF. The estimated amounts are further broken down below to include funds for the new 2022 Bipartisan Infrastructure Law grant:

Federal <u>Fiscal Year</u>	CWSRF		DWSRF	
	<u>Capitalization Grant</u>	<u>State Match Required</u>	<u>Capitalization Grant</u>	<u>State Match Required</u>
2022 (annual grant)	\$8,109,000	\$1,621,800	\$11,001,000	\$2,200,200
2022 (Bipartisan Infrastructure Law grant)	\$9,103,000	\$910,300	\$17,992,000	\$1,799,200

MOTION: Moved by Zamrzla, seconded by Achola to approve the Notice and the sending of the Notice to the Governor and Clerk of the Legislature.

Via roll call vote, the following votes were recorded:

Voting AYE: Arganbright, Frenzen, Goins, Walden-Newman, Bredthauer, Achola, Freeman and Zamrzla.

Absent: Wellman

The motion passed unanimously.

Programs Committee

5. Review and Consideration of Adoption of Limited Purpose Intent Resolutions for the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds in an Aggregate Principal Amount not to Exceed \$21,800,000 to Finance Multifamily Rental Housing Projects

Sara Tichota presented information relating to the Tax Exempt Bond 4% LIHTC/AHTC cycle. NIFA and NDED staff members reviewed the applications. The threshold review and scoring methods followed were in accordance with the 2022/2023 Housing Credit Allocation Plan for 4% Low Income Housing Tax Credits, which was approved December 10, 2021, by the NIFA Board of Directors and approved by Governor Pete Ricketts on December 23, 2021.

MOTION: After review and discussion, on behalf of the Programs Committee, Freeman moved for approval of the Limited Purpose Intent Resolutions (No. MF-2022-204 and No. MF-2022-210) for the Issuance of Nebraska Investment Finance Authority Multifamily Housing Revenue Bonds in an Aggregate Principal Amount not to Exceed \$21,800,000 to Finance Multifamily Rental Housing Projects as set forth below, which motion was seconded by Frenzen.

Kennedy Square East, Omaha, NE

Bond Amount: Up to \$12,900,000 (4% LIHTC/NE AHTC)

The Project: New construction of 102 total rental units, 39 units (to be financed with conventional financing) which will serve market rate tenants and 63 units (to be financed with the proceeds of the NIFA bonds) which will serve tenants with incomes of 60% or below of the area median income

Location: To be constructed on an irregular parcel of land bordered by North 28th Street on the east, North 30th and North 28th Ave. on the west, Lothrop Street on the north and abutting Spencer Street on the south, in Omaha, Nebraska.

Project Owner: Kennedy East LIHTC, LLC, the managing member of which will be Kennedy East LIHTC Manager, LLC, a Nebraska limited liability company whose members include Brinshore TL, LLC, an Illinois limited liability company (an affiliate of Brinshore Development, LLC), Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation, and River City Housing Connections, Inc. d/b/a River City Housing, a Kentucky non-profit corporation.

Other Participants:

Consultant:	SB Clark Companies, Denver, Colorado
Architect:	Alley Poyner Macchietto Architecture, Omaha, Nebraska and Landon Bone Baker, Chicago, Illinois
General Contractor:	To Be Determined
Property Manager:	Seldin Company, Omaha, Nebraska
Borrower's Counsel:	Applegate & Thorne-Thomsen, P.C., Chicago, Illinois
Bond Counsel:	Ice Miller, LLP, Indianapolis, Indiana
Bond Trustee:	Union Bank and Trust, Lincoln, NE

Prairie View Apartments, Kearney, NE

Bond Amount: Up to \$8,900,000 (4% LIHTC/NE AHTC)

The Project: The acquisition and rehabilitation of an existing HUD-assisted development, originally constructed in 1978, consisting of 97 total rental units, which will serve tenants with incomes of 60% or below of the area median income.

Location: 211 East 8th Street, Kearney, Nebraska

Project Owner: The owner of Prairie View Apartments is expected to be a limited liability corporation, Prairie View Apartments LLC (the "Owner"), the managing member of which will be Prairie View Apartments Manager LLC, a Washington limited liability company.

Other Participants:

Developer:	Evergreen Development Solutions LLC, Bellevue, Washington
Consultant:	Praxis Consulting Group, LLC, Reno, Nevada
Architect:	Rosemann & Associates P.C., Kansas City, Missouri
General Contractor:	Precision General Commercial Contracting, Inc., Novato, California
Property Manager:	Seldin Company, Omaha, Nebraska
Borrower's Counsel:	To Be Determined
Bond Counsel:	Stoel Rives LLP, Seattle, Washington
Bond Trustee:	U.S. Bank Global Corporate Trust, Saint Paul, Minnesota

Via roll call vote, the following votes were recorded:

Voting AYE: Goins, Walden-Newman, Bredthauer, Achola, Freeman, Zamrzla, Arganbright and Frenzen.

Absent: Wellman

The motion passed unanimously.

6. Consideration of a Motion to Approve Conditional Allocations of Private Activity Volume Cap in an amount not to exceed \$55,800,000 for the Issuance of Bonds in conjunction with 4% 2022 Low-Income Housing Tax Credits (LIHTC) and Affordable Housing Tax Credits (AHTC)

Sara presented information relating to the Tax Exempt Bond 4% LIHTC/NE AHTC cycle and the 4% LIHTC only cycle.

MOTION: After review and discussion, on behalf of the Programs Committee, Freeman moved for approval of Conditional Allocations of Private Activity Volume Cap in an amount not to exceed \$55,800,000 for the Issuance of Bonds in conjunction with 4% 2022 Low-Income Housing Tax Credits (LIHTC) and, in some cases, the Nebraska Affordable Housing Tax Credits (AHTC) subject to the conditions set forth in the Motion, including that such allocations shall expire on December 20, 2022 at 5:00 p.m. (Central Time), up to the applicable Allocation Amounts set forth below for the following multifamily rental housing developments. Motion seconded by Arganbright:

Allocation: 22-30-002 – Multifamily Housing Bonds (Foxtail South, 5000 South Folsom, Lincoln, NE)

Issuer: City of Lincoln

Allocation Amount: Up to \$15,000,000

Allocation Classification: Non-Statewide Housing

Project: New Construction; 4% LIHTC and NE AHTC; 131 dwelling units

Project Owner: Foxtail South, LP; Hoppe & Sons, LLC

Bond Counsel: Gilmore & Bell, PC

Allocation: 22-30-003 – Multifamily Housing Bonds (Kennedy Square East, 2912 Spencer Street, Omaha, NE)

Issuer: NIFA

Allocation Amount: Up to \$12,900,000

Allocation Classification: Non-Statewide Housing

Project: New Construction; 4% LIHTC and NE AHTC; 63 dwelling units

Project Owner: Kennedy East LIHTC, LLC, Kennedy East LIHTC Manager, LLC Brinshore TL, LLC (an affiliate of Brinshore Development, LLC), River City Housing Connections, Inc, d/b/a River City Housing, and Seventy-Five North Revitalization Corporation, a Nebraska non-profit corporation

Bond Counsel: Ice Miller, LLP

Allocation: 22-30-004 – Multifamily Housing Bonds (Prairie View Apartments, 211 East 8th Street, Kearney, NE)

Issuer: NIFA

Allocation Amount: Up to \$8,900,000

Allocation Classification: Non-Statewide Housing

Project: Acquisition/Rehabilitation; 4% LIHTC and NE AHTC; 97 dwelling units

Project Owner: Prairie View Apartments LLC; Prairie View Apartments Manager LLC; Evergreen Development Solutions LLC

Bond Counsel: Stoel Rives LLP

Allocation: 22-30-005 – Multifamily Housing Bonds (Timbercreek Apartments, 6816 South 137th Plaza, Omaha, NE)

Issuer: Douglas County Housing Authority

Allocation Amount: Up to \$19,000,000

Allocation Classification: Non-Statewide Housing

Project: Acquisition/Rehabilitation; 4% LIHTC only; 180 dwelling units

Project Owner: Mercy Housing Midwest; MHMP 18 Timbercreek LP, NHT Equity, LLC

Bond Counsel: Kutak Rock LLP

The foregoing approval by the NIFA Board is subject to the following conditions, which shall be satisfied as determined by the Executive Director, in order for such allocations to become unconditional allocations of volume cap:

Conditions: No later than May 20, 2022, the applicant must submit to NIFA the following:

(i) the Volume Cap Application specifying the amount of the requested Volume Cap Allocation Amount (not to exceed the amount set forth above) and the applicable fees;

(ii) an acknowledge that the allocation will expire at 5:00 p.m. Central Time on December 20, 2022; and

(iii) a firm timeline for the bond issuance.

Via roll call vote, the following votes were recorded:

Voting AYE: Walden-Newman, Bredthauer, Achola, Freeman, Zamrzla, Arganbright, Frenzen and Goins.

Absent: Wellman

The motion passed unanimously.

7. Consideration of a Motion to Approve Conditional Reservations for Category 1 CRANE projects and forward committing 2023 and 2024 Low Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) allocation.

Sara presented information relating to 3483 Larimore, YES Campus and Grand Island Liberty Campus which are currently in the CRANE Program.

MOTION: After review and discussion, on behalf of the Programs Committee, Freeman moved for approval, which was seconded by Arganbright of the Conditional Reservation for Category 1 CRANE projects and forward committing 2023 and 2024 Low Income Housing Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) allocation.

Via roll call vote, the following votes were recorded:

Voting AYE: Bredthauer, Freeman, Zamrzla, Arganbright, Frenzen, Goins and Walden-Newman.

Abstain: Achola (who announced his abstention due to his serving as a consultant for one of the projects receiving a conditional reservation)

Absent: Wellman

The motion passed 7 yes and 1 abstaining.

Strategic Topic

8. An overview of LIHTC projects in Omaha

Sara provided an overview of LIHTC projects NIFA Board members and staff would be touring immediately following the conclusion of the business portion of today's board meeting including, Northwest Senior, Ames Row Houses, Sheltering Tree, Highlander Apartments, Garage Lofts and Lofts on 24th.

Non-Action Item Committee Updates

Governance Committee

9. Reports from the Chair of the Governance Committee and NIFA Board Chair

Warren Arganbright, Chair of the Governance Committee, reported that the Governance Committee met on two separate occasions to address a matter brought to the attention of the Committee involving certain actions taken by Board Member Achola in connection with a matter involving a tax-credit applicant which had submitted an application to NIFA for federal and state low-income housing tax credits. Mr. Arganbright stated that the Governance Committee recommended to Board Chair, Tony Goins, that a further discussion with Mr. Achola be held by Chairman Goins regarding the matter, stressing the importance of adherence by Mr. Achola to the NIFA Code of Conduct and the duties of due care and due loyalty owed by Mr. Achola to NIFA.

Board Chair Goins reported that he subsequently spoke with Mr. Achola regarding the actions taken and communications engaged in by Mr. Achola and directed Mr. Achola to refrain from repeating this type of conduct in the future. The Chair then offered Mr. Achola the opportunity to make a statement.

Mr. Achola made a statement apologizing for his actions and communications regarding the matter and assured the members of the Board and the public that he has taken this matter seriously and appreciates the importance of conducting himself in accordance with the NIFA Code of Conduct and his duties owed to NIFA.

NIFA Highlights

10. Announcements and Discussion of Upcoming Events

Shannon Harner reported the Nebraska Legislature directed historic funding amount to housing during the 2022 legislative session. There was \$119.5 million allocated that will go directly to housing and there could be upwards of \$220 million invested in housing, of which \$20.5M was directed to 4% and 9% LIHTC gap financing.

11. Conclusion of Business Portion of the Meeting – 10:45 a.m.

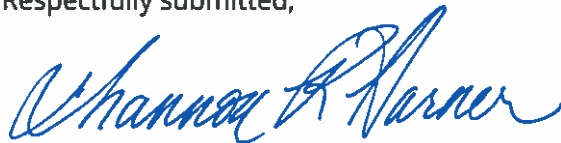
12. Commencement of Bus/Van Tour of Omaha Rental Housing Developments Financed with NIFA-Allocated Resources (No formal action was taken by the Board during or after the tour)

Development Locations:

Highlander – 2112 North 30th Street
Garage Lofts – 424 South 24th Street
Lofts on 24th – 3101 South 24th Street
Ames Row Houses – 5801 Fowler Avenue
Sheltering Tree – 7220 Ames Circle
Northwest Senior – 6018 North 92nd Avenue

13. Conclusion of the Tour – Adjournment – 1:10 p.m.

Respectfully submitted,



Shannon R. Harner
Executive Director and Board Secretary



*** Proof of Publication ***

State of Nebraska)
Lancaster County) SS.

NIFA
SHEILA GANS
1230 O ST STE 200
LINCOLN NE 68508

ORDER NUMBER 1068268

The undersigned, being first duly sworn, deposes and says that she/he is a Clerk of the Lincoln Journal Star, legal newspaper printed, published and having a general circulation in the County of Lancaster and State of Nebraska, and that the attached printed notice was published in said newspaper

One successive times(s) the first insertion having been on
April 17, 2022 and thereafter on
 , 20 and that said
newspaper is the legal newspaper under the statutes of the State of
Nebraska.

Heather Johnson

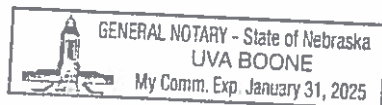
Section: Class Legals
Category: 0099 LEGALS
PUBLISHED ON: 04/17/2022

TOTAL AD COST: 33.35
FILED ON: 4/19/2022

The above facts are within my personal knowledge and are further verified by my personal inspection of each notice in each of said issues.

Subscribed in my presence and sworn to before me on

April 19, 2022
U Boone Notary Public



NOTICE OF MEETING
NEBRASKA INVESTMENT
FINANCE AUTHORITY
Meeting and Tour to be Held
In-Person Only

Notice is hereby given that the Nebraska Investment Finance Authority ("NIFA") will hold a Board of Directors Meeting followed by a Bus Tour of LIHTC developments, which are both open to participation by the public, on Friday, April 22, beginning at 8:00 a.m. (The bus tour will commence upon adjournment of the Board meeting.) NIFA's meeting will be held at the Venue at Highlander, 2120 N. 30th Street, Omaha, Nebraska. Persons requiring an accommodation consistent with the Americans with Disabilities Act are asked to contact Sheila Gans at NIFA at (402) 434-3900 at least 48 hours in advance of the meeting. The agenda of the meeting, which is kept continually current, is available for public inspection at NIFA's website at <https://www.nifa.org/about/board-of-directors> and posted on the front door of NIFA's office at Suite 200, 1230 'O' Street, Lincoln, Nebraska, during normal business hours. A current copy of the Open Meetings Act, Neb. Rev. Stat. 84-1407 et. seq., and a copy of the Board book materials (which may be updated), to be discussed at the meeting will be available at the meeting location and on the bus tour the day of the meeting and at NIFA's website at <https://www.nifa.org/about/board-of-directors>. Handouts and other materials presented at the meeting and on the bus tour will be available for viewing by all attendees. Copies of Board materials, not otherwise made available at NIFA's website the day before the meeting and the tour, will be posted on NIFA's website at <http://www.nifa.org/about/board-of-directors> and available from NIFA upon request subsequent to the meeting. For more information or questions please contact Christie Weston, Deputy Director, at (402) 434-3912. 1068268 11 Apr 17 ZNEZ



Affidavit of Publication

NIFA
1230 'O' ST.
SUITE 200
LINCOLN, NE 68508

Date	Category	Description	Ad Size	Total Cost
04/23/2022	Legal Notices	NOTICE OF MEETING NEBRASKA INVESTMENT	1 x 0 L	822.49

NOTICE OF MEETING
NEBRASKA INVESTMENT
FINANCE AUTHORITY
Meeting and Tour to be Held
In-Person Only

**Publisher of the
World Herald**

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I, (the undersigned) an authorized representative of the World Herald, a daily newspaper published in Omaha, Douglas County, Nebraska; do certify that the annexed notice NOTICE OF MEETING NEBRAS was published in said newspapers on the following dates:

04/17/2022

The agenda of the meeting, which is kept continually current, is available for public inspection at NIFA's website at <https://www.nifa.org/about/board-of-directors> and posted on the front door of NIFA's office at Suite 200, 1230 'O' Street, Lincoln, Nebraska, during normal business hours.

The First insertion being given ... 04/17/2022

Newspaper reference: 0000301797



Billing Representative

A current copy of the Open Meetings Act, Neb. Rev. Stat. 84-1407 et. seq., and a copy of the Board book materials (which may be updated), to be discussed at the meeting will be available at the meeting location and on the bus tour the day of the meeting and at NIFA's website at <https://www.nifa.org/about/board-of-directors>. Handouts and other materials presented at the meeting and on the bus tour will be available for viewing by all attendees. Copies of Board materials, not otherwise made available at NIFA's website the day before the meeting and the tour, will be posted on NIFA's website at <http://www.nifa.org/about/board-of-directors> and available from NIFA upon request subsequent to the meeting.

Sworn to and subscribed before me this Sunday, April 17, 2022



Notary Public

For more information or questions please contact Christie Weston, Deputy Director, at (402) 434-3912.
ZNEZ

State of Virginia
City of Richmond
My Commission expires

Kimberly Kay Harris
NOTARY PUBLIC
Commonwealth of Virginia
Reg. No. 356753
Commission Exp. Jan. 31, 2025

E-mail

Shelia.Gans@nifa.org

June 2022
Board Meeting Executive Director Report

NIFA Board Members:

As we reach the end of FY2022 there are many loose ends to tie up and many new projects to start or continue in the new year. Below is an update and a meeting overview.

Meeting Action Items:

General Action Items:

NIFA is being asked to approve Bond Resolutions funding NDEE in connection with the Drinking Water State Revolving Fund Program, as well as the Clean Water State Revolving Fund Revenue Bonds to provide loans to owners of public water supply systems.

Audit Committee:

Christie will provide an update relating to the NIFA Audit RFP process and selection of an audit firm for FY 2022.

Program Committee:

NIFA continues to work with DED regarding ARPA funded programs for LIHTC Gap Financing. The ARPA rules can be complex. Our general counsel will assist with discussion of potential program structures and timeline.

In connection with the LIHTC Gap Financing Program, I am seeking additional authority to utilize any returned LIHTC 9% credits alongside the ARPA funds, to provide the most efficient execution of gap financing for LIHTC projects.

At this meeting the Board will be asked to consider approval of 9% conditional reservations for 2022 LIHTC and AHTC projects. This is the first 9% project cycle under the new QAP and the method of project selection, to more closely balance metro and non-metro credit allocation will be a point of discussion.

In 2018 the staff recommended, and the Board approved, a Workforce Housing lending program that serves eligible borrowers up to 150% AMI. As with the purchase price limits of the Tax Exempt Single Family Program, NIFA's Executive Director, utilizing staff recommendations, can set annual limits that do not exceed the IRS tax-exempt program targeted area limits. Utilizing that authority and supporting the staff recommendation, NIFA will set the Workforce Housing upper price limit at the recently released Tax-Exempt Targeted Area limit of \$427,000.

This meeting's *Strategic Topic* is Lines of Business Improvement or Expansion. We will present and discuss various programs under consideration.

Governance Committee:

The Finance team will take the Board through our proposed FY 2023 Budget. Please review the Budget Narrative for additional detail.

As a housekeeping item, our Bylaws require annual election of officers. Because the Board Chair and Secretary are statutorily determined, that leaves the position of Vice Chair as the sole elected position to be filled at this meeting.

Other Updates:

Statewide Housing Strategy and Needs Assessment: As previously reported, NIFA's Statewide Housing Strategy Framework Initiative continues apace. The Need Assessment is on target to be delivered to the Governor's Office on June 30, 2022, as anticipated. The Statewide Housing Strategy Council will meet again, for the first time in person, later this month. The Council will continue to regularly meet after the initial phase, which concludes in December, collaborating to ensure effective use of resources and better outcomes.

HAF: The Nebraska HAF Program was launched on February 1, 2022. The updated dashboard can be found at <https://nebraskahaf.com/resources>

Community Engagement: A successful NIFA Housing Conference, was held March 28 – 30. This was a great “step back in” to our live event and we received many positive comments. Planning for next year will begin in July; if you (or anyone reading this) has topic suggestions, please send them to us at outreach@nifa.org with the heading: “Conference Topic Suggestion”. We appreciate your input!

Human Resources: We continue to fill positions and currently have one open position for a Communications and Projects Administrator.

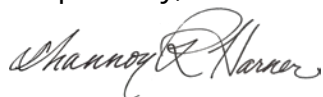
Engagement Opportunities:

Below are some opportunities to engage:

NIFA – Webinar Wednesdays will be returning this summer! Stay tuned at the NIFA website for updates:

I look forward to seeing you at the Board meeting, at the Cattlemen's building. Click here for a map: [4611 Cattle Drive, Lincoln, NE](#)

Respectfully,



Shannon R. Harner

NIFA Programs Committee

Report to the Board of Directors

June 1, 2022

Committee Members:

Herb Freeman, Chair
Susan Bredthauer
Michael Walden-Newman
Colten Zamrzla

Others Attending:

Shannon Harner
Robin Ambroz
Christie Weston
David Young

Meeting Details:

Wednesday, June 1, 2022 at 11:00 AM via Video Conference

Summary of Meeting Discussion:

New or expanded NIFA programs for consideration

Shannon led a discussion of potential new or expanded programs that NIFA is considering. The types of programs under consideration that were discussed included the following:

1. Workforce Housing Lending Program with DPA, focused on rural areas, although available statewide
2. Ag Program expansion
3. Multi-family lending and qualification for Risk Share Program
4. Grant Funded Programs
 - a) H3C Program/other non-profit grants
 - b) Freddie Mac/Fannie Mae programs
 - c) Capital Magnet Funds

No Board Action required at this time. After significant conversation, the committee adjourned at 12:03 PM

AGENDA ITEM #3d

Beginning Farmer/Rancher Division Report

NEW AG LOAN IN-PROCESS:

- Borrower: Miles Peterson
- Purpose: Purchase of approximately 108.24 acres of farm real estate – Gosper County, Nebraska
- Purchase price: \$709,958
- NIFA loan/bond amount: \$359,958
- Interest rate through NIFA of 3.75% variable (Market rate: 4.75% variable)
- Bondholder: The First State Bank of Holdrege – Holdrege, Nebraska

AGRICULTURAL LOAN SUMMARY

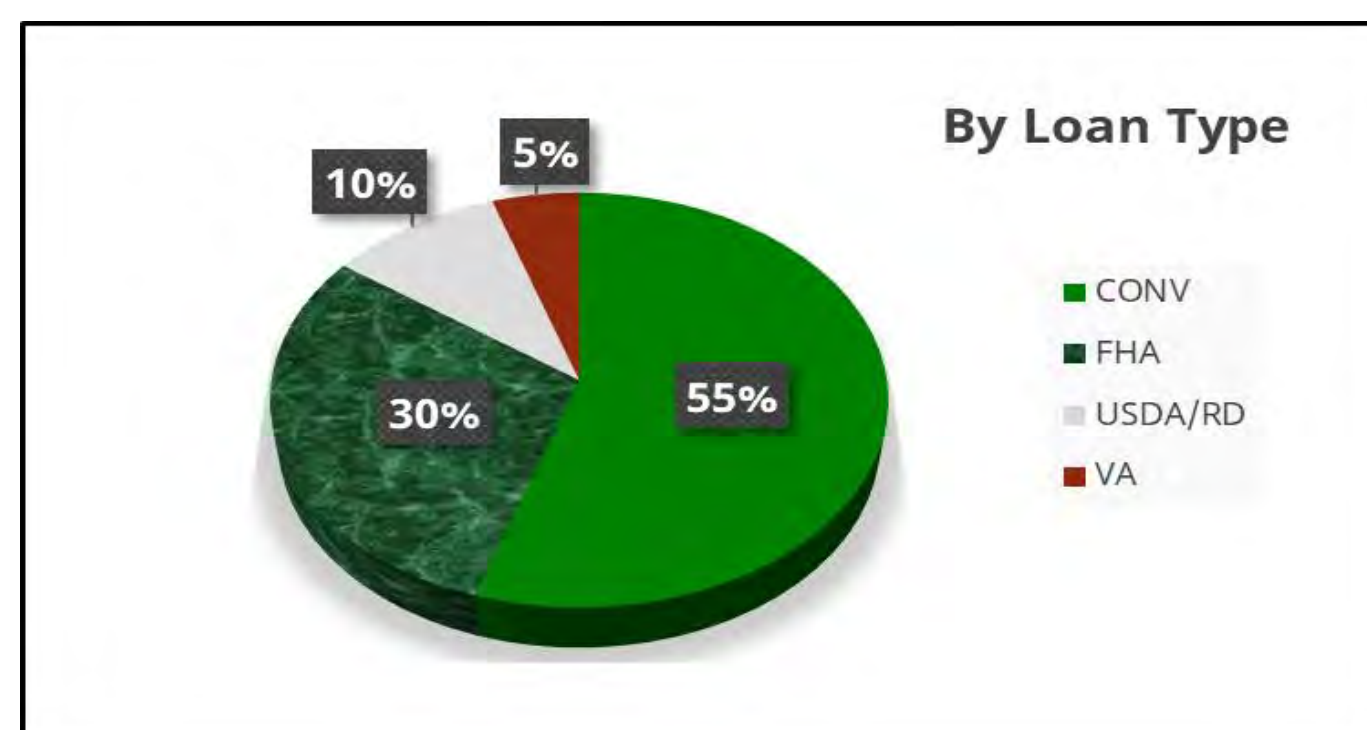
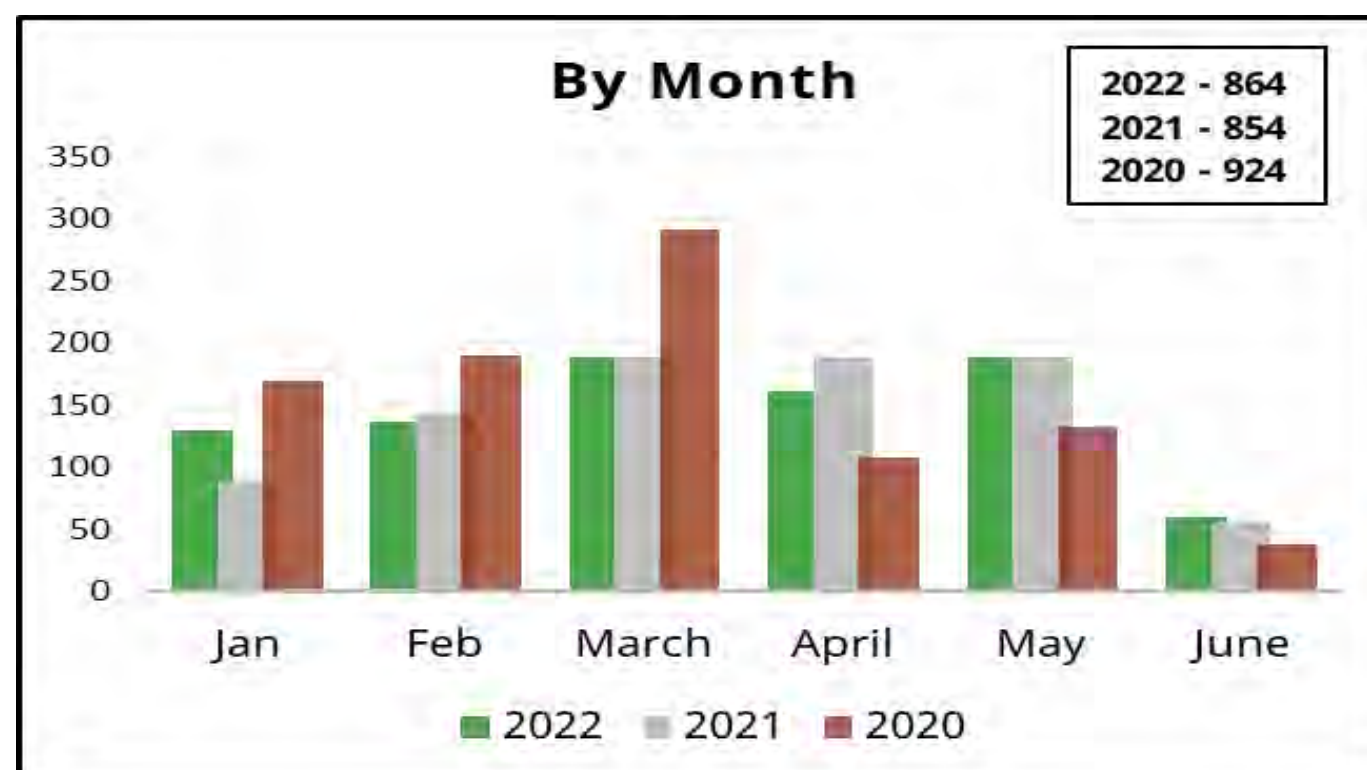
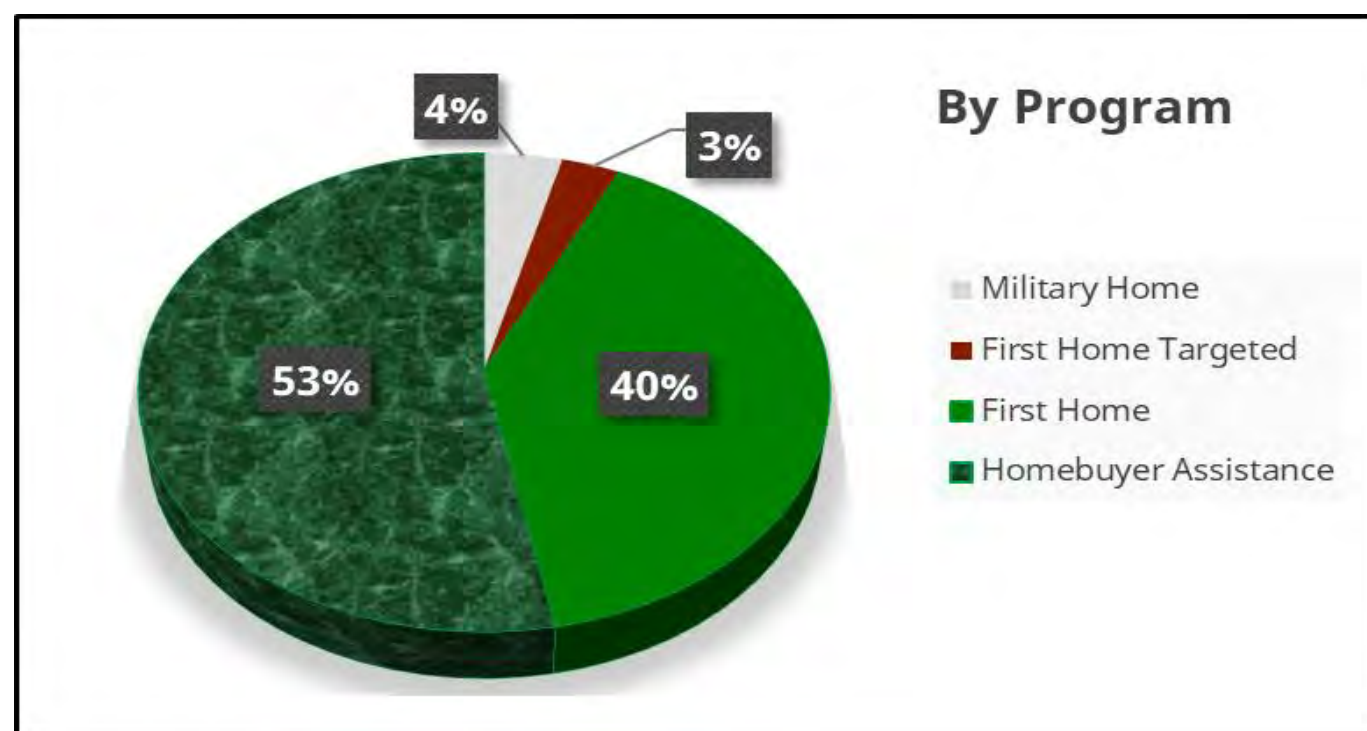
Public Hearing Date:	April 15, 2022
Series Resolution:	Providing for the Issuance of Agricultural Development Direct Loan Revenue Bond (Zeth Bittfield Project) Series 2022 (the "Bond")
Borrower:	Zeth Bittfield
Bond Purchaser:	Adams County Bank, Kenesaw, Nebraska
Purpose:	Loan (the "Loan") to acquire approximately 77.5 acres of farm real estate, located in the E½ SE¼ of Section 34, Township 7 North, Range 12, West of the 6 th P.M. (located on the northwest corner of the intersection of Holstein Avenue and Oak Ridge Road) in Adams County, Nebraska, except a strip of land 41.25 feet in width lying over and across the easterly part of the SE¼ of Section 34, Township 7 North, Range 12, West of the 6 th P.M., Adams County, Nebraska; said strip being parallel to the adjoining the East line of said SE¼ .
Amount:	\$460,695
Bond Dated Date:	May 2, 2022
Terms:	The Bond shall bear interest at a rate of 3.90% per annum. Interest shall be computed on an Actual/365 basis. Principal and interest shall be payable in 29 annual payments of \$26,328.42 beginning May 2, 2023 and on each May 2 thereafter to and including May 2, 2051. A final payment of the entire unpaid balance of principal and accrued interest thereon will be due May 2, 2052 (the "Maturity Date"). Payments will be rounded to the nears \$.01. Any unpaid balance outstanding after the Maturity Date shall bear interest at a rate equal to 5% above the rate in effect at maturity, until paid in full. Prepayment of the Bond is subject to a prepayment penalty as set forth in the Note executed by the Borrower. No partial payments are allowed.

HOMEOWNERSHIP PROGRAM REPORT

*Board of Directors Meeting
June 17, 2022*

YTD 2022 Reservation Activity As of 6/7/22

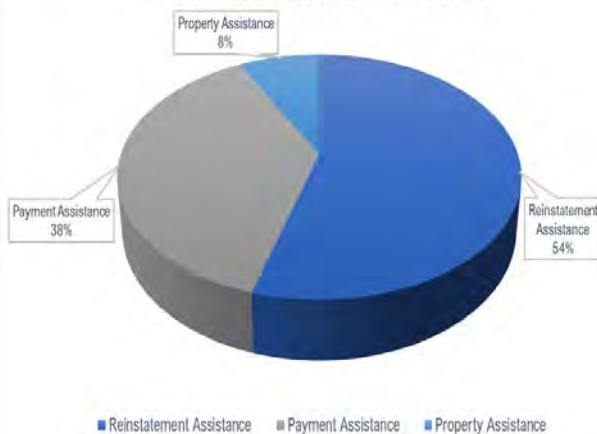
# Loan Reservations	864
\$ Loan Reservations	\$149,524,321
Average 1st Loan Amount	\$173,061
Average 2nd Loan Amount	\$7,884
Urban Areas	58%
Rural Areas	42%



Nebraska Homeownership Assistance Fund – June Board Report

TOTAL APPLICATIONS	3238
PAID	222
APPROVED	300
DENIED	533
DENIED (ABANDONED)	1045
INITIATED	353
UNDER REVIEW	248
WITHDRAWN	195
REFERRED	129

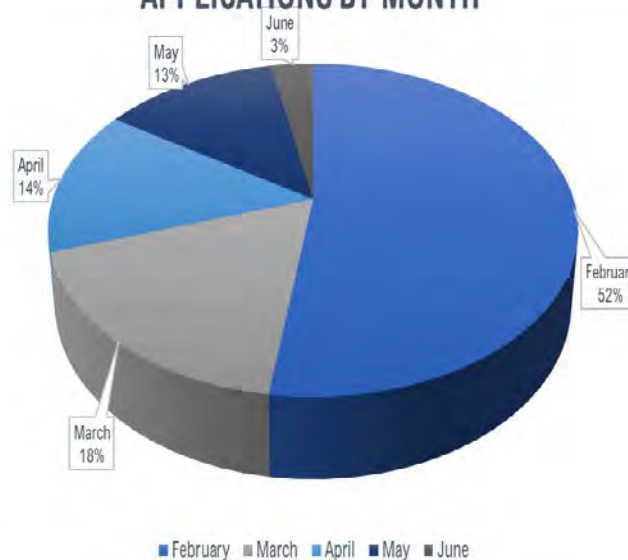
FUNDS AWARDED BY CATEGORY



AVERAGE PAYMENT BY PROGRAM



APPLICATIONS BY MONTH



COMMUNITY ENGAGEMENT JUNE 2022 REPORT



NIFA AWARDED NATIONAL GRANT

The Community Engagement team worked with Shannon to submit a grant proposal for a unique concept to work in Lincoln to develop a plan for affordable housing in collaboration with health system partners. Our hard work paid off and NIFA was awarded the grant. The National Council of State Housing Agencies (NCSHA) has awarded grants to six state housing finance agencies (HFAs) to develop strategic partnerships with hospitals and other health organizations to finance affordable housing. The grants are the foundation of the NCSHA-sponsored Healthy Housing, Healthy Communities (H3C) Partnerships initiative, which aims to leverage state HFAs' role at the center of the affordable housing system to attract significant health institution involvement and elevate community-level leadership in addressing the worsening housing affordability crisis in America. NIFA is extremely happy to be included in this list of award winners along with Colorado, Illinois, Pennsylvania, Rhode Island, and Washington State.

"Each of these leading agencies has a vision for engaging major health institutions serving their states in new ways to generate increased investment in the construction and rehabilitation of housing that is responsive to local community priorities and participation," said NCSHA Executive Director Stockton Williams.

Funded by the Robert Wood Johnson Foundation, the grants will enable state HFAs to perform the planning, due diligence, and outreach necessary to secure significant financial commitments from hospitals and health organizations, which the agencies will complement with financing of their own. Community-based organizations will play key roles in each partnership. The H3C funding targets Lincoln and will provide a framework for future opportunities that can be replicated across the state.



BACK BY DEMAND

Back by popular demand, Webinar Wednesdays returns in June 2022. With the success of our weekly webinars during the pandemic, a resounding chorus of Nebraskans have asked us to reboot our virtual educational programming and technical assistance series.

Topics will include:

- Nebraska Emergency Rental Assistance Program
- Nebraska Homeowner Assistance Fund
- NIFA's new data platform mySidewalk
- Project Homeless Connect events



NHAF TRAINING SCHEDULED

Homeowners in the panhandle will have an opportunity to learn about NHAF resources. In partnership with High Plains Community Development Corporation, the Community Engagement staff will conduct a virtual NHAF workshop on June 21st to encourage participation, provide technical assistance to, and answer any questions from homeowners who need help saving their homes from foreclosure.

CRANE Public Meeting Report
via Zoom
April 27, 2022
9:00 a.m.

Attendees (via Zoom): George Achola and Andria Bell, Burlington Capital; Delaney Nelson, White Lotus Group; Mitch Scanlan, J Development; and Pam Otto, and Sara Tichota, NIFA.

Meeting called to order by Pam Otto at 9:08 a.m.

Sara Tichota provided a brief update regarding the April Board meeting and the CRANE program.

Grand Island Liberty Campus – Grand Island

Delaney Nelson reported they are waiting for feedback. Category 2.

Stephen Center – Omaha

Mitch Scanlan reported they are currently working on the CRANE application and will submit next month. Category 4.

Pam Otto reminded those projects currently at a Category 1 to check their documents to make sure they have not become stale.

Meeting adjourned: 9:18 a.m.

CRANE APPLICATION LIST

NEBRASKA INVESTMENT FINANCE AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM
(updated 5/9/22)

NIFA PROJECT #	PROJECT NAME & ADDRESS	APPLICANT NAME	COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGS	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED	CATEGORY DESIGNATION
7-1016	Grand Island Liberty Campus 2300 West Capital Avenue Grand Island, NE 68803-2003	Liberty Campus GI, LLC 10404 Essex Court, Suite 101 Omaha, NE 68114 (Delaney Nelson: 760.271.9123)	Hall	48	48	0	2	Adaptive/Reuse Non-Metro Multifamily Seniors Veterans Housing CDBG-DR	For Profit	HOME Funds-\$500,000 Tax Increment Financing Federal Historic Tax Credits State Historic Tax Credits Deffered Developer Fee Donation of Land & Buildings	\$ 17,433,784	\$ 800,000	\$ 800,000	Category 2
	Stephen Center			48	48	0	2				\$ 17,433,784	\$ 800,000	\$ 800,000	Category 4

NEBRASKA INVESTMENT FINANCE AUTHORITY
PRIVATE ACTIVITY CAP-ALLOCATION STATUS
CALENDAR YEAR 2022

AS OF 6/7/22

	50%	20%	30%	335,115,000		
			Ag/ IDB/Non Statewide Hsg			
	Housing Carryforward	Statewide Housing	50% Jan-June	50% July-Dec	Governor's Discretionary	GRAND TOTAL
Beginning Allocation	814,307,374.40	167,557,500.00	33,511,500.00	33,511,500.00	100,534,500.00	1,149,422,374.40
Allocations Todate	(79,999,988.00)	0.00	(1,386,160.00)	0.00	0.00	(81,386,148.00)
Ag Allocation not used			(3,613,840.00)			(3,613,840.00)
Conditional Allocations			0.00			0.00
Transfers			0.00		0.00	-
Balance Remaining	734,307,386.40	167,557,500.00	28,511,500.00	33,511,500.00	100,534,500.00	1,064,422,386.40

Ag/IDB/Non Statewide Housing-ALLOCATION DETAIL					
District	AG	IDB	MF	Total by District	
1	0	0	0	0	
2	0	0	0	0	
3	(1,386,160)	0	0	(1,386,160)	
Total by Category	(1,386,160)	0	0	(1,386,160)	
Conditional Allocations		0	0	0	
Ag Allocation not used	(3,613,840)			(3,613,840)	
Total	(5,000,000)	0	0	(5,000,000)	

NIFA Housing-CARRYFORWARD DETAIL				
Originated	2019	2020	2021	TOTAL
Expires	2022	2023	2024	
Beginning	221,130,677.40	319,011,497.00	274,165,200.00	814,307,374.40
Used	(79,999,988.00)			(79,999,988.00)
Ending	141,130,689.40	319,011,497.00	274,165,200.00	734,307,386.40

Other Issuers -CARRYFORWARD DETAIL		
Originated	2021	TOTAL
Expires	2024	
Beginning	24,000,000	24,000,000
Used	0	0
Ending	24,000,000	24,000,000

NIFA Board of Directors

Standing Committees

Appointed June 17, 2022

*Committee Chair

Audit Committee:

(Board Chair + 3 appointed)

*Galen Frenzen
Michael Walden-Newman
Anthony Goins
Susan Bredthauer

Programs Committee:

(4 appointed)

*Herb Freeman
Michael Walden-Newman
Susan Bredthauer
Colten Zamrzla

Governance Committee:

*(Chairs of other standing committees
selected among the members of such
committee + 1 appointed)*

Galen Frenzen (*Audit Chair*)
Herb Freeman (*Programs Chair*)
George Achola (*Risk Mgmt Chair*)
Warren Arganbright (*appointed*)

Risk Management Committee:

(4 appointed)

Steve Wellman
*George Achola
Warren Arganbright
Colten Zamrzla

Additional Committees

Strategic Planning Committee:

(Appointed 10-29-21)

George Achola
Warren Arganbright
Susan Bredthauer
Anthony Goins

AGENDA ITEM #4

Consideration of Bond Resolution #DEV-264 authorizing the issuance of Nebraska Investment Finance Authority Drinking Water State Revolving Fund Revenue Bonds, in one or more Series 2022 (the “2022 DWSRF Bonds”) in the aggregate principal amount of not to exceed \$5,000,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to owners of public water supply systems in connection with the Drinking Water State Revolving Fund Program

Background:

The Nebraska Department of Environment and Energy (NDEE) has informed NIFA of the need to issue bonds for the Drinking Water State Revolving Fund Program (the “DWSRF”). Proceeds of the bonds will be used to satisfy the state match requirements for federal capitalization grants (the “Grants”) under the Federal Safe Drinking Water Act, including funds to be available under the 2021 federal Bipartisan Infrastructure Law. The size of the bonds is not expected to exceed \$5.0 million to provide state match for the Grants as follows: 1) 20% state match for the federal FY 2022 base grant in the currently expected amount of \$7,008,000 and 2) 10% state match for the FY 2022 Bipartisan Infrastructure Law grant in the currently expected amount of \$17,992,000.

Due to the strength of the Drinking Water State Revolving Fund Program, interest earnings from the current loan portfolio are expected to be sufficient to pay the principal and interest on the 2022 DWSRF Bonds. Upon issuance of the bonds, funds representing prior interest earnings on the Drinking Water loan portfolio will be transferred by NDEE from the DWSRF and used to purchase escrow securities (U.S. Treasuries or SLGS) sufficient to pay principal and interest on the 2022 DWSRF Bonds at maturity. This debt service deposit will facilitate the private placement of each series of the 2022 DWSRF Bonds to an institutional purchaser.

Accordingly, the attached bond resolution authorizes the issuance of the 2022 DWSRF Bonds in a principal amount not to exceed \$5,000,000, maturing no later than December 31, 2023, the proceeds of which will be used by NDEE to make loans or otherwise provide funds to owners of public water supplies for the acquisition, construction or modification of safe drinking water projects within the State of Nebraska thereby satisfying the state match requirements for the FY 2022 Grants.

Action Required:

Adoption of attached Bond Resolution #DEV-264

BOND RESOLUTION NO. DEV-264

A RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF DRINKING WATER STATE REVOLVING FUND BONDS, SERIES 2022A-1 AND DRINKING WATER STATE REVOLVING FUND BONDS, SERIES 2022A-2 (COLLECTIVELY, THE “BONDS”) OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY (THE “AUTHORITY”), IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO THE NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY TO PROVIDE LOANS TO OWNERS OF PUBLIC WATER SUPPLY SYSTEMS, WHICH BONDS AND THE INTEREST THEREON SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO THE PAYMENT OF THE BONDS; APPROVING AND AUTHORIZING EXECUTION OF ONE OR MORE INDENTURE OF TRUST, ONE OR MORE PLEDGE AGREEMENT, ONE OR MORE TAX REGULATORY AGREEMENT, ONE OR MORE BOND PURCHASE AGREEMENT AND A PLACEMENT AGENT AGREEMENT; APPROVING AND APPOINTING THE TRUSTEE; MAKING FINDINGS AND DETERMINATIONS WITH REFERENCE TO THE BONDS; AUTHORIZING THE SALE OF THE BONDS; PROVIDING THAT THE INVALIDITY OF ANY PART OF THIS BOND RESOLUTION SHALL NOT AFFECT THE REMAINDER; INCORPORATING WITHIN THIS BOND RESOLUTION THE PROVISIONS OF SECTIONS 58-201 ET SEQ. OF THE NEBRASKA STATUTES; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; REPEALING ALL RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HERewith AND PROVIDING FOR THE DATE OF EFFECT OF THIS BOND RESOLUTION.

WHEREAS, the Nebraska Investment Finance Authority (the “Authority”) is a duly organized and existing body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska (the “State”); and

WHEREAS, the Director of the Nebraska Department of Environment and Energy (the “NDEE”) and the Authority previously entered into a Memorandum of Understanding dated as of December 1, 1998, as supplemented and amended by Supplement No. 1 to Memorandum of Understanding dated as of August 1, 2017 (the “Memorandum of Understanding”), between NDEE and the Authority, to define the cooperative relationship between the NDEE and the Authority to jointly administer certain provisions of the Nebraska Drinking Water State Revolving Fund Act, Sections 71-5314 to 71-5327, Reissue Revised Statutes of Nebraska, as amended (the “Drinking Water SRF Act”), which establishes the Drinking Water Facilities Loan Fund and the Land Acquisition and Source Water Loan Fund in the treasury of the State of Nebraska; and

WHEREAS, the federal government has, pursuant to the federal Safe Drinking Water Act, P.L. 93-523, as amended (the “Safe Drinking Water Act”), authorized the administrator of the United States Environmental Protection Agency to make capitalization grants to states for the purpose of establishing a drinking water state revolving fund to provide financial assistance for acquisition, construction or modification of safe drinking water projects; and

WHEREAS, the Authority is authorized under the laws of the State of Nebraska and particularly the Nebraska Investment Finance Authority Act, Section 58-201 et seq., Revised Statutes of Nebraska (the “Act”), to assist the NDEE through the issuance of its revenue bonds for the purpose of making loans to finance any part of the cost of the acquisition, construction or modification of safe drinking water projects within the State of Nebraska; and

WHEREAS, the NDEE has requested the Authority to issue the Bonds, the proceeds of which shall be applied to satisfy the state match requirement under the Safe Drinking Water Act; and

WHEREAS, pursuant to one or more Pledge Agreements with respect to each series of Bonds (collectively, the “Pledge Agreement”), between NDEE and the Authority, the NDEE will provide funds (derived from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Drinking Water Facilities Loan Fund) to secure the payment of principal and interest on the Bonds; and

WHEREAS, the Authority has determined that it is necessary and advisable for the purpose of providing funds for the NDEE to provide loans from the Drinking Water Facilities Loan Fund to owners of public water supply systems to pay the costs of acquiring, constructing or modifying safe drinking water projects and in order to meet the state match requirements of the Safe Drinking Water Act that the Authority issue Bonds; and

WHEREAS, the Bonds shall be issued pursuant to and secured by one or more Indentures of Trust with respect to each series of Bonds (collectively, the “Indenture”), between the Authority and Computershare Trust Company, National Association, as trustee (the “Trustee”); and

WHEREAS, the Authority intends to sell each series or subseries of the Bonds to an institutional purchaser for each series or subseries (the “Purchaser”) in a private placement pursuant to one or more Bond Purchase Agreements between the Authority, NDEE and the Purchaser with respect to each series or subseries of Bonds (collectively, the “Purchase Agreement”), with Piper Sandler & Co., acting as placement agent (the “Placement Agent”), pursuant to a Bond Placement Agreement with respect to the Bonds (collectively, the “Placement Agreement”) between the Authority, NDEE and the Placement Agent, and the Authority deems it necessary and advisable to proceed with the issuance, sale and delivery of the Bonds in an original aggregate principal amount of not to exceed \$5,000,000;

WHEREAS, there have been presented to the Authority on this date, the following:

(a) a form of the Indenture setting forth the terms of the Bonds and the conditions and security for the Bonds and providing a form of the Bonds and investment letter;

- (b) a form of the Pledge Agreement;
- (c) a form of one or more Tax Regulatory Agreements among the Authority, the Trustee and NDEE with respect to each series of Bonds (collectively, the “Tax Regulatory Agreement”);
- (d) a form of the Purchase Agreement; and
- (e) a form of the Placement Agreement; and

WHEREAS, it appears that each of the instruments above referred to, which are now before each of the members of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the members of the Nebraska Investment Finance Authority, as follows:

ARTICLE I

LEGAL AUTHORIZATION; FINDINGS

Section 1.01. Legal Authorization. The Authority is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions, existing under the Constitution and laws of the State and is authorized under the Act to issue and sell its revenue bonds in the form of one or more debt instruments such as the Bonds for the purpose, in the manner and upon the terms and conditions set forth in the Act, in this Bond Resolution and in the Indenture.

Section 1.02. Findings. The Authority has heretofore determined, and does hereby determine, as follows:

- (a) The issuance of the Bonds will effectuate the public purposes of the Authority and carry out the purposes of the Act by, among other things, assisting in the construction, development, rehabilitation and improvement of the State’s water quality by facilitating the financing of safe drinking water facilities.
- (b) The Bonds are limited obligations of the Authority and are payable solely out of the funds, income, revenues and receipts pledged pursuant to the Indenture and shall not be a general liability of the Authority or a charge against its general credit.
- (c) The Bonds shall be payable solely and only out of the property and revenues pledged or assigned or in which a security interest is granted for such payment.
- (d) The Bonds will not and shall never constitute a debt, liability or general obligation of the State of Nebraska, or any political subdivision, agency or instrumentality thereof (other than limited obligations of the Authority), nor will the faith and credit or the taxing power of the State of Nebraska, or any political subdivision be pledged to the

payment of the principal of or interest on the Bonds (other than any loan payments of a political subdivision pledged by NDEE).

(e) The payment of principal and interest on the Bonds is, or upon issuance will be, funded by revenues received under the Pledge Agreement from interest paid by owners of public water supply systems on certain loans made by NDEE from the Drinking Water Facilities Loan Fund and the amounts on deposit in certain funds and accounts under the Indenture and investment earnings thereon, all in accordance with the terms and conditions of the Indenture.

ARTICLE II

AUTHORIZATION TO EXECUTE DOCUMENTS AND ISSUE BONDS

Section 2.01. Approval and Authorization of Documents. The Indenture, the Pledge Agreement, the Tax Regulatory Agreement, the Purchase Agreement and the Placement Agreement be and the same are in all respects hereby approved, authorized, ratified and confirmed, and the Chairman and Executive Director be and they are each separately and individually hereby authorized and directed to execute and deliver, for and on behalf of the Authority, the Indenture, the Pledge Agreement, the Tax Regulatory Agreement, the Purchase Agreement and the Placement Agreement in substantially the form and content as presented to the Authority on this date (subject to the approval of general counsel to the Authority), but with such changes, modifications, additions and deletions therein as shall to him seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all changes, modifications, additions and deletions from the form thereof as presented to this meeting.

Section 2.02. Authorization To Issue and Sell the Bonds. The issuance of the Bonds in a principal amount (to be determined severally by the Chairman or the Executive Director) of not to exceed \$5,000,000 is hereby approved. The Bonds shall be in such series and with such sub-series designations, bear interest at a rate or rates (to be determined by the Chairman or the Executive Director) not to exceed a maximum coupon rate of 4.00%, bear such date or dates, mature on a date or dates (to be determined by the Chairman or the Executive Director) not later than December 31, 2023 and be payable at such place and in such form, carry such registration privileges, be executed in such form and contain such terms, covenants and conditions all to be as set forth in the Indenture, and as determined by the Executive Director within the parameters of this Bond Resolution. The sale of the Bonds to the Purchaser is and the same is in all respects hereby approved, authorized and confirmed, and the Chairman and Executive Director are each hereby severally authorized and directed to execute, seal and deliver, whether by manual or facsimile signature, the Bonds for and on behalf of the Authority to the Trustee for authentication pursuant to the Indenture. The Bonds shall be sold to the Purchaser for a purchase price equal to the principal amount thereof. The Authority shall pay a fee to the Placement Agent (from funds provided by NDEE) in connection with the sale of the Bonds in an amount not to exceed 0.6% of the principal amount thereof.

Section 2.03. Authority To Execute and Deliver Additional Documents and General Authorization. The Chairman and Executive Director are hereby authorized to execute and

deliver for and on behalf of the Authority any and all additional certificates, documents (including, but not limited to, one or more agreements with NDEE, agreements related to investment of funds and accounts under the Indenture and agreements with the Placement Agent as the Chairman or Executive Director, in consultation with bond counsel, shall consider necessary or desirable) and other papers and to perform all other acts as they may deem necessary or appropriate, in consultation with bond counsel, to implement and carry out the purposes and intent of this Bond Resolution, including the preamble hereto. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby authorizes and directs all of the officers and employees of the Authority to perform or cause to be performed such obligations of the Authority and such other actions as they shall consider necessary or desirable in connection with or in furtherance of this Bond Resolution and the transactions contemplated by the documents and agreements identified in this Bond Resolution. The execution and delivery by any such officer of the Authority of any of such documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Bond Resolution, shall constitute conclusive evidence of the approval thereof of such officer and the Authority and shall conclusively establish such officer's absolute, unconditional and irrevocable authority with respect thereto from the Authority and the approval and ratification by the Authority of the documents, instruments and certifications so executed and the action so taken.

Section 2.04. Designation of Trustee. The appointment and designation of Computershare Trust Company, National Association, as Trustee for the Bonds under the Indenture is hereby ratified and confirmed in every respect.

Section 2.05. Terms of the Indenture. As provided in Section 58-257 of the Act, any resolution authorizing the issuance of bonds may contain provisions as described in such section which shall be a part of the contract with the holders of the bonds. Such provisions, to the extent included in the Indenture as executed by the Authority, are hereby incorporated into this Bond Resolution as if set forth herein.

Section 2.06. Ratification of Prior Actions. All actions heretofore taken with respect to the Bonds and matters incident thereto by the officers of the Authority be and the same are hereby in all respects adopted, ratified, approved and confirmed.

ARTICLE III

SUPPLEMENTAL RESOLUTIONS

The Authority may, subject to the terms and conditions of the Indenture, pass and execute resolutions supplemental to this Bond Resolution which shall not be inconsistent with the terms and provisions hereof.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Resolution or the Bonds is intended or shall be construed to give to any person, other than the Authority and the

Trustee, any legal or equitable right, remedy or claim under or with respect to this Bond Resolution or any covenants, conditions and provisions herein contained; this Bond Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Authority and the Trustee as herein provided.

Section 4.02. Severability. If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.03. Immunity of Officers. No recourse for the payment of any part of the principal of, premium, if any, or interest on the Bonds for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any official, officer, member or agent of the Authority or the State, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of the Bonds.

Section 4.04. Prior Resolutions. All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Bond Resolution are, to the extent of such conflicts, hereby repealed.

Section 4.05. Effective Date. This Bond Resolution shall be in full force and effect immediately upon its passage and approval.

Section 4.06. Captions. The captions or headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

Section 4.07. Validity of Bonds. The Bonds shall contain a recital that such Bonds are issued pursuant to the Act, and such recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Passed and approved this 17th day of June, 2022.

[SEAL]

NEBRASKA INVESTMENT FINANCE
AUTHORITY

By _____
Executive Director

AGENDA ITEM #5

Consideration of Bond Resolution #DEV-265 authorizing the issuance of Nebraska Investment Finance Authority Clean Water State Revolving Fund Revenue Bonds, in one or more Series 2022 (the “2022 CWSRF Bonds”) in the aggregate principal amount of not to exceed \$3,000,000 for the purpose of providing funds to the Nebraska Department of Environment and Energy to provide loans to Nebraska Municipalities and Counties in Connection with the Clean Water State Revolving Fund Program

Background:

The Nebraska Department of Environment and Energy (NDEE) has informed NIFA of the need to issue bonds for the Clean Water State Revolving Fund Program (the “CWSRF”). Proceeds of the bonds will be used to satisfy the state match requirements for federal capitalization grants (the “Grants”) under the Federal Clean Water Act, including funds to be available under the 2021 federal Bipartisan Infrastructure Law. The size of the bonds is not expected to exceed \$3.0 million to provide state match for the Grants as follows: 1) 20% state match for the federal FY 2022 base grant in the currently expected amount of \$5,978,000 and 2) 10% state match for the FY 2022 Bipartisan Infrastructure Law grant in the currently expected amount of \$9,103,000.

Due to the strength of the Clean Water State Revolving Fund Program, interest earnings from the current loan portfolio are expected to be sufficient to pay the principal and interest on the 2022 CWSRF Bonds. Upon issuance of the bonds, funds representing prior interest earnings on the Clean Water loan portfolio will be transferred by NDEE from the CWSRF and used to purchase escrow securities (U.S. Treasuries or SLGS) sufficient to pay principal and interest on the 2022 CWSRF Bonds at maturity. This debt service deposit will facilitate the private placement of each series of the 2022 CWSRF Bonds to an institutional purchaser.

Accordingly, the attached bond resolution authorizes the issuance of the 2022 CWSRF Bonds in a principal amount not to exceed \$3,000,000, maturing no later than December 31, 2023, the proceeds of which will be used by NDEE to make loans or otherwise provide funds to municipalities and counties for the acquisition, construction, improvement, repair, rehabilitation or extension of wastewater treatment works and non-point source control systems thereby satisfying the state match requirements for the FY 2022 Grant.

Action Required:

Adoption of attached Bond Resolution #DEV-265

BOND RESOLUTION NO. DEV-265

A RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF CLEAN WATER STATE REVOLVING FUND BONDS, SERIES 2022B-1 AND CLEAN WATER STATE REVOLVING FUND BONDS, SERIES 2022B-2 (COLLECTIVELY, THE “BONDS”) OF THE NEBRASKA INVESTMENT FINANCE AUTHORITY (THE “AUTHORITY”), IN A PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO THE NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY TO PROVIDE LOANS TO NEBRASKA MUNICIPALITIES AND COUNTIES, WHICH BONDS AND THE INTEREST THEREON SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO THE PAYMENT OF THE BONDS; APPROVING AND AUTHORIZING EXECUTION OF ONE OR MORE INDENTURE OF TRUST, ONE OR MORE PLEDGE AGREEMENT, ONE OR MORE TAX REGULATORY AGREEMENT, ONE OR MORE BOND PURCHASE AGREEMENT AND A PLACEMENT AGENT AGREEMENT; APPROVING AND APPOINTING THE TRUSTEE; MAKING FINDINGS AND DETERMINATIONS WITH REFERENCE TO THE BONDS; AUTHORIZING THE SALE OF THE BONDS; PROVIDING THAT THE INVALIDITY OF ANY PART OF THIS BOND RESOLUTION SHALL NOT AFFECT THE REMAINDER; INCORPORATING WITHIN THIS BOND RESOLUTION THE PROVISIONS OF SECTIONS 58-201 ET SEQ. OF THE NEBRASKA STATUTES; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; REPEALING ALL RESOLUTIONS OR PORTIONS THEREOF IN CONFLICT HERewith AND PROVIDING FOR THE DATE OF EFFECT OF THIS BOND RESOLUTION.

WHEREAS, the Nebraska Investment Finance Authority (the “Authority”) is a duly organized and existing body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska (the “State”); and

WHEREAS, the Director of the Nebraska Department of Environment and Energy (the “NDEE”) and the Authority previously entered into a Memorandum of Understanding dated as of November 1, 2000, as supplemented and amended by Supplement No. 1 to Memorandum of Understanding dated as of August 1, 2017 (the “Memorandum of Understanding”), between NDEE and the Authority, to define the cooperative relationship between the NDEE and the Authority to jointly administer certain provisions of the Nebraska Wastewater Treatment Facilities Construction Assistance Act, Neb. Rev. Stat. §§ 81-15,147 to 81-15,158, as amended, which act, among other things, establishes the Wastewater Treatment Facilities Construction Loan Fund in the treasury of the State of Nebraska; and

WHEREAS, the federal government, pursuant to the federal Clean Water Act, 33 U.S.C. § 1251 et seq., as amended by the Water Quality Act of 1987 (collectively, the “Clean Water Act”), has provided for capitalization grants to capitalize state revolving funds for wastewater treatment projects, on the condition that each state provide appropriate matching funds for deposit into such state’s revolving fund; and

WHEREAS, for the purpose of protecting and improving the State’s water quality, alleviating the problem of water pollution and promoting economic growth and development, the Authority desires to cause to be provided financing to assist municipalities and counties in providing modern and efficient sewer systems and wastewater treatment facilities; and

WHEREAS, the Authority is authorized by Neb. Rev. Stat. §§ 58-201 to 58-250, as amended (the “Act”), to issue its bonds to assist in the construction, development, rehabilitation and improvement of wastewater treatment facilities in the State, to provide for clean water to protect the health and welfare of the citizens and residents of the State and promote economic well-being; and

WHEREAS, the NDEE has requested the Authority to issue the Bonds, the proceeds of which shall be applied to satisfy the state match requirement under the Clean Water Act; and

WHEREAS, pursuant to one or more Pledge Agreements with respect to each series of Bonds (collectively, the “Pledge Agreement”) between NDEE and the Authority, the NDEE will provide funds (derived from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Wastewater Treatment Facilities Construction Loan Fund) to secure the payment of principal and interest on the Bonds; and

WHEREAS, the Authority has determined that it is necessary and advisable for the purpose of providing funds for the NDEE to provide loans from the Wastewater Treatment Facilities Construction Loan Fund to municipalities and counties to pay the costs of acquiring, constructing, improving, repairing, rehabilitating or extending wastewater treatment facilities and in order to meet the state match requirements of the Clean Water Act that the Authority issue Bonds; and

WHEREAS, the Bonds shall be issued pursuant to and secured by one or more Indentures of Trust with respect to each series of Bonds (collectively, the “Indenture”) between the Authority and Computershare Trust Company, National Association, as trustee (the “Trustee”); and

WHEREAS, the Authority intends to sell each series or subseries of the Bonds to an institutional purchaser for each series or subseries (the “Purchaser”) in a private placement pursuant to one or more Bond Purchase Agreements between the Authority, NDEE and the Purchaser with respect to each series of subseries of Bonds (collectively, the “Purchase Agreement”), with Piper Sandler & Co., acting as placement agent (the “Placement Agent”), pursuant to a Bond Placement Agreement with respect to the Bonds (collectively, the “Placement Agreement”) between the Authority, NDEE and the Placement Agent, and the Authority deems it necessary and advisable to proceed with the issuance, sale and delivery of the Bonds in an original aggregate principal amount of not to exceed \$3,000,000;

WHEREAS, there have been presented to the Authority on this date, the following:

- (a) a form of the Indenture setting forth the terms of the Bonds and the conditions and security for the Bonds and providing a form of the Bonds and investment letter;
- (b) a form of the Pledge Agreement;
- (c) a form of one or more Tax Regulatory Agreements among the Authority, the Trustee and NDEE with respect to each series of Bonds (collectively, the “Tax Regulatory Agreement”);
- (d) a form of the Purchase Agreement; and
- (e) a form of the Placement Agreement; and

WHEREAS, it appears that each of the instruments above referred to, which are now before each of the members of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the members of the Nebraska Investment Finance Authority, as follows:

ARTICLE I

LEGAL AUTHORIZATION; FINDINGS

Section 1.01. Legal Authorization. The Authority is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions, existing under the Constitution and laws of the State and is authorized under the Act to issue and sell its revenue bonds in the form of one or more debt instruments such as the Bonds for the purpose, in the manner and upon the terms and conditions set forth in the Act, in this Bond Resolution and in the Indenture.

Section 1.02. Findings. The Authority has heretofore determined, and does hereby determine, as follows:

- (a) The issuance of the Bonds will effectuate the public purposes of the Authority and carry out the purposes of the Act by, among other things, assisting in the construction, development, rehabilitation and improvement of wastewater treatment facilities in the State to be available for public purposes of the Authority and NDEE.
- (b) The Bonds are limited obligations of the Authority and are payable solely out of the funds, income, revenues and receipts pledged pursuant to the Indenture and shall not be a general liability of the Authority or a charge against its general credit.
- (c) The Bonds shall be payable solely and only out of the property and revenues pledged or assigned or in which a security interest is granted for such payment.

(d) The Bonds will not and shall never constitute a debt, liability or general obligation of the State of Nebraska, or any political subdivision, agency or instrumentality thereof (other than limited obligations of the Authority), nor will the faith and credit or the taxing power of the State of Nebraska, or any political subdivision be pledged to the payment of the principal of or interest on the Bonds (other than any loan payments of a political subdivision pledged by NDEE).

(e) The payment of principal and interest on the Bonds is, or upon issuance will be, funded by the amounts on deposit in certain funds and accounts under the Indenture, which amounts were provided by NDEE from investment earnings and interest paid by municipalities or counties on loans made by NDEE from the Wastewater Treatment Facilities Construction Loan Fund and investment earnings thereon, all in accordance with the terms and conditions of the Indenture.

ARTICLE II

AUTHORIZATION TO EXECUTE DOCUMENTS AND ISSUE BONDS

Section 2.01. Approval and Authorization of Documents. The Indenture, the Pledge Agreement, the Tax Regulatory Agreement, the Purchase Agreement and the Placement Agreement be and the same are in all respects hereby approved, authorized, ratified and confirmed, and the Chairman and Executive Director be and they are each separately and individually hereby authorized and directed to execute and deliver, for and on behalf of the Authority, the Indenture, the Pledge Agreement, the Tax Regulatory Agreement, the Purchase Agreement and the Placement Agreement in substantially the form and content as presented to the Authority on this date (subject to the approval of general counsel to the Authority), but with such changes, modifications, additions and deletions therein as shall to him seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all changes, modifications, additions and deletions from the form thereof as presented to this meeting.

Section 2.02. Authorization To Issue and Sell the Bonds. The issuance of the Bonds in a principal amount (to be determined severally by the Chairman or the Executive Director) of not to exceed \$3,000,000 is hereby approved. The Bonds shall be in such series and with such sub-series designations, bear interest at a rate or rates (to be determined by the Chairman or the Executive Director) not to exceed a maximum coupon rate of 4.00%, bear such date or dates, mature on a date or dates (to be determined by the Chairman or the Executive Director) not later than December 31, 2023 and be payable at such place and in such form, carry such registration privileges, be executed in such form and contain such terms, covenants and conditions all to be as set forth in the Indenture, and as determined by the Executive Director within the parameters of this Bond Resolution. The sale of the Bonds to the Purchaser is and the same is in all respects hereby approved, authorized and confirmed, and the Chairman and Executive Director are each hereby severally authorized and directed to execute, seal and deliver, whether by manual or facsimile signature, the Bonds for and on behalf of the Authority to the Trustee for authentication pursuant to the Indenture. The Bonds shall be sold to the Purchaser for a purchase price equal to the principal amount thereof. The Authority shall pay a fee to the Placement Agent (from funds

provided by NDEE) in connection with the sale of the Bonds in an amount not to exceed 0.6% of the principal amount thereof.

Section 2.03. Authority To Execute and Deliver Additional Documents and General Authorization. The Chairman and Executive Director are hereby authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents (including, but not limited to, one or more agreements with NDEE, agreements related to investment of funds and accounts under the Indenture and agreements with the Placement Agent as the Chairman or Executive Director, in consultation with bond counsel, shall consider necessary or desirable) and other papers and to perform all other acts as they may deem necessary or appropriate, in consultation with bond counsel, to implement and carry out the purposes and intent of this Bond Resolution, including the preamble hereto. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby authorizes and directs all of the officers and employees of the Authority to perform or cause to be performed such obligations of the Authority and such other actions as they shall consider necessary or desirable in connection with or in furtherance of this Bond Resolution and the transactions contemplated by the documents and agreements identified in this Bond Resolution. The execution and delivery by any such officer of the Authority of any of such documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Bond Resolution, shall constitute conclusive evidence of the approval thereof of such officer and the Authority and shall conclusively establish such officer's absolute, unconditional and irrevocable authority with respect thereto from the Authority and the approval and ratification by the Authority of the documents, instruments and certifications so executed and the action so taken.

Section 2.04. Designation of Trustee. The appointment and designation of Computershare Trust Company, National Association, as Trustee for the Bonds under the Indenture is hereby ratified and confirmed in every respect.

Section 2.05. Terms of the Indenture. As provided in Section 58-257 of the Act, any resolution authorizing the issuance of bonds may contain provisions as described in such section which shall be a part of the contract with the holders of the bonds. Such provisions, to the extent included in the Indenture as executed by the Authority, are hereby incorporated into this Bond Resolution as if set forth herein.

Section 2.06. Ratification of Prior Actions. All actions heretofore taken with respect to the Bonds and matters incident thereto by the officers of the Authority be and the same are hereby in all respects adopted, ratified, approved and confirmed.

ARTICLE III

SUPPLEMENTAL RESOLUTIONS

The Authority may, subject to the terms and conditions of the Indenture, pass and execute resolutions supplemental to this Bond Resolution which shall not be inconsistent with the terms and provisions hereof.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Resolution or the Bonds is intended or shall be construed to give to any person, other than the Authority and the Trustee, any legal or equitable right, remedy or claim under or with respect to this Bond Resolution or any covenants, conditions and provisions herein contained; this Bond Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Authority and the Trustee as herein provided.

Section 4.02. Severability. If any provision of this Bond Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.03. Immunity of Officers. No recourse for the payment of any part of the principal of, premium, if any, or interest on the Bonds for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds shall be had against any official, officer, member or agent of the Authority or the State, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of the Bonds.

Section 4.04. Prior Resolutions. All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Bond Resolution are, to the extent of such conflicts, hereby repealed.

Section 4.05. Effective Date. This Bond Resolution shall be in full force and effect immediately upon its passage and approval.

Section 4.06. Captions. The captions or headings in this Bond Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Bond Resolution.

Section 4.07. Validity of Bonds. The Bonds shall contain a recital that such Bonds are issued pursuant to the Act, and such recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Passed and approved this 17th day of June, 2022.

[SEAL]

NEBRASKA INVESTMENT FINANCE
AUTHORITY

By _____
Executive Director

AGENDA ITEM NO. 7

Consideration of a Motion to Authorize the Selection by the Executive Director of an Independent Certified Public Accounting Firm to Perform the Annual Financial Audit of NIFA for Fiscal Year Ended June 30, 2022

Background:

Section 58-234 of the Nebraska Investment Finance Authority Act (the "NIFA Act") provides that NIFA may employ legal counsel, technical experts and such other officers, agents and employees..." as it deems necessary to carry out the efficient operation" of NIFA. Section 58-231 of the NIFA Act provides that the Executive Director shall administer, manage and direct the affairs and activities of [NIFA] in accordance with the policies and under the control and direction of the members, and shall approve all accounts for salaries, allowable expenses of [NIFA] or of any employee or consultant of [NIFA]. The Bylaws of NIFA, adopted on August 21, 2020, include, with respect to the duties of the Audit Committee, that the Committee "recommend to the Board the engagement of an independent certified public accounting firm to perform the annual audit(s) of NIFA." With respect to the selection of an audit firm to perform the financial audit of NIFA for the fiscal year ended June 30, 2022, the Audit Committee has reported that a request for a proposal (RFP) has been sent to various accounting firms with respect to the 2022 audit. The RFPs responses were due June 7, 2022.

Recommendation of the Audit Committee:

The Audit Committee recommends that upon receipt of responses to the RFP, the Executive Director be authorized, after consultation with the Audit Committee, to select an independent certified public accounting firm to perform the annual audit for fiscal year ended June 30, 2022.

Motion:

Motion to direct the Executive Director, after consultation with the Audit Committee, to select an independent certified public accounting firm to perform the annual financial audit of NIFA for fiscal year ended June 30, 2022.

AGENDA ITEM NO. 9

Review and Consideration of the Adoption of Resolution No. 463 with Respect to Establishing and Allocating Funds to the LIHTC Gap Financing Account within the Nebraska Opportunity Fund for the Purpose of Providing a Portion of the Financial Assistance in Connection with the LIHTC Gap Financing Program to be Carried out Pursuant to LB 1014 (2022) and Authorizing the Issuance of Limited Obligation Notes/Bonds and Other Limited Obligations of NIFA to Additionally Assist in the Funding of Loans to be Made Pursuant to the LIHTC Gap Financing Program

Background:

Owners of multifamily rental housing developments that received LIHTC reservations in 2020 and 2021 have been overwhelmingly impacted by the increase in construction-related costs including, but not limited to, lack of supplies, increase in material costs, shortage of labor, and increase in labor costs, etc. Many of these owners will be unable to move forward with completion of their respective developments without additional financial assistance. The LIHTC Gap Financing Program is intended to provide successful applicants with a resource to allow for the completion of their affordable rental housing developments.

During the 2nd session (2022) of the 107th Nebraska Legislature, LB 1014 was enacted which appropriated certain federal funds (the "SLFRF Funds") from the Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act. A portion of these SLFRF Funds (for FY2021-22, \$10,500,000 and for FY 2022-23, \$10,000,000) were appropriated by LB 1014 to the Nebraska Department of Economic Development ("DED") to contract with NIFA for development of affordable housing units eligible for federal 4% and 9% low-income housing tax credit programs.

NIFA is currently working with DED with respect to the deployment of the SLFRF Funds to carry out the LIHTC Gap Financing Program (the "LIHTC Gap Financing Program") to provide gap financing (using the SLFRF Funds to make long-term loans) to project owners awarded 2020/2021 LIHTC/AHTC conditional allocations and project owners with 2020/2021 allocations of private activity volume bond cap. Application guidelines are in the process of being drafted with respect to applying for the gap financing being made available through the LIHTC Gap Financing Program.

The federal rules with respect to using SLFRF Funds provide that, with respect to longer term loans, the SLFRF Funds may only be used in an amount not to exceed the "projected cost of the loan." Because of the method for calculating the "projected cost of the loan," it is expected that there will need to be a contribution of additional funds (non-SLFRF Funds) to fund the full amount of each gap loan made pursuant to the LIHTC Gap Financing Program.

NIFA staff proposes that the Board consider establishing and authorizing the funding (in the amount of \$3 million) of the LIHTC Gap Financing Account within the Nebraska Opportunity Fund for purposes of assisting with the financing of loans pursuant to the LIHTC Gap Financing Program. To provide additional options with respect to assisting in the funding of the gap loans to be made pursuant to the LIHTC Gap Financing Program, NIFA staff is requesting authorization to issue one or more limited obligations of NIFA (not to exceed \$3 million) in connection with one or more borrowings to assist with securing additional funds for gap loans. (In any event, the amount of funds used from the LIHTC Gap Financing Account and the borrowings pursuant to the issuance of limited obligations will not exceed in the aggregate \$3 million).

Staff Recommendation: Adoption of Resolution No. 463.

RESOLUTION NO. 463

A RESOLUTION ESTABLISHING AND ALLOCATING FUNDS TO THE LIHTC GAP FINANCING ACCOUNT WITHIN THE NEBRASKA OPPORTUNITY FUND FOR THE PURPOSE OF PROVIDING A PORTION OF THE FINANCIAL ASSISTANCE IN CONNECTION WITH THE LIHTC GAP FINANCING PROGRAM TO BE CARRIED OUT PURSUANT TO LB 1014 (2022) AND AUTHORIZING THE ISSUANCE OF LIMITED OBLIGATION NOTES/BONDS AND OTHER LIMITED OBLIGATIONS OF NIFA TO ADDITIONALLY ASSIST IN THE FUNDING OF LOANS TO BE MADE PURSUANT TO THE LIHTC GAP FINANCING PROGRAM; AUTHORIZING THE ENTERING INTO AGREEMENTS IN ORDER TO CARRY OUT THE PROGRAM; PRESCRIBING THE OPERATING PARAMETERS OF SUCH PROGRAM, FINANCING AND ISSUANCE OF LIMITED OBLIGATIONS ALL IN ACCORDANCE WITH THE PARAMETERS SET FORTH IN THIS RESOLUTION.

WHEREAS, the purposes of the Nebraska Investment Finance Authority (“**NIFA**”) include providing resources and technical expertise to communities within the state of Nebraska (the “**State**”) essential for basic economic development, including, but not limited to, activities designed to address the housing, economic, community and agricultural development needs in Nebraska communities, all in accordance with the Nebraska Investment Finance Authority Act (the “**NIFA Act**”); and

WHEREAS, in accordance with Section 42 of the Internal Revenue Code of 1986 (the “**Code**”), NIFA has adopted qualified allocation plans (collectively, the “**Qualified Allocation Plans**”) in order to provide for the allocation of and access to 9% and 4% federal low income housing tax credits (“**LIHTC**”) and, in some cases, the allocation of Nebraska affordable housing tax credits (“**AHTC**” and, together with LIHTC, “**Tax Credits**”), in each case to assist in the development of decent, safe and affordable rental housing; and

WHEREAS, particularly during the prior two years, financial and economic conditions in the state and the country have restricted and inhibited the production of decent, safe and affordable rental housing; and

WHEREAS, during the 2nd session of the 107th Nebraska Legislature (2022), LB 1014 was enacted by the Unicameral and signed into law by the Governor of the State which appropriated certain federal funds (the “**SLFRF Funds**”) from the Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act (“**ARPA**”), to the Nebraska Department of Economic Development (“**DED**”), with respect to a portion of which (for FY2021-22, \$10,500,000 and for FY 2022-23, \$10,000,000) DED is directed to contract with NIFA for development of affordable housing units eligible for federal 4% and 9% low-income housing tax credit programs; and

WHEREAS, NIFA is currently working with DED with respect to a program (the “**LIHTC Gap Financing Program**”) to provide financing to projects owners (“**Project Owners**”) (initially those Project Owners awarded 2020/2021 LIHTC/AHTC allocations and Project Owners with 2020/2021 allocations of private activity volume bond cap) in

connection with the continued development of the projects for which such Tax Credits or private activity volume cap have been reserved (“**Eligible Projects**”), using proceeds of the SLFRF Funds to address existing deficiencies in the financing and financial resources currently available to such Project Owners; and

WHEREAS, in connection with the use of SLFRF Funds to address the need for gap financing, it is initially anticipated that such SLFRF Funds will be provided in the form of long term loans (the “**Gap Loans**”); and

WHEREAS, with respect to providing the Gap Loans, the current ARPA rules and regulations with respect to using SLFRF Funds will, in most cases, result in a necessity for one or more additional sources of funds to fund each Gap Loan; and

WHEREAS, pursuant to Resolution No. 392, NIFA has established a specific fund (the “**Nebraska Opportunity Fund**”) to implement the programs and purposes described in such Resolution No. 392 (“**Resolution 392**”) (which would include the provision of assistance in connection with the funding of Gap Loans) and one or more operating resolutions adopted in accordance therewith; and

WHEREAS, it is intended that the use of assets in the Nebraska Opportunity Fund will encourage the investment of private and/or public funds within the State which, together with the assets in the Nebraska Opportunity Fund (and the Accounts therein), will be used to carry out the public purposes set forth in the NIFA Act; and

WHEREAS, in order to address the need for additional funding in connection with the LIHTC Gap Financing Program, the Board of NIFA has determined to establish the LIHTC Gap Financing Account (the “**LIHTC Gap Financing Account**”) within the Nebraska Opportunity Fund and to allocate to the LIHTC Gap Financing Account the amount of \$3,000,000 to assist in carrying out the LIHTC Gap Financing Program; and

WHEREAS, the establishment and funding of the Nebraska Opportunity Fund (and the funding of the LIHTC Gap Financing Account therein) will encourage the investment of private and/or public funds within the State which will be used to carry out the public purposes set forth in the NIFA Act and the LIHTC Gap Financing Program; and

WHEREAS, additionally, the source of the private funds for the projects to be assisted by the Nebraska Opportunity Fund, including the LIHTC Gap Financing Account, may be obtained, from time to time, by the issuance of limited obligations, including notes and bonds (collectively, the “**Limited Obligations**”), and the entering into contractual agreements of NIFA pursuant to the terms and conditions of this Resolution; and

WHEREAS, funds allocated to the hereinafter-described LIHTC Gap Financing Account, together with funds, if any, obtained through the issuance from time to time by NIFA of Limited Obligations, shall be used to assist in carrying out the LIHTC Gap Financing Program in accordance with the terms of this Resolution to accomplish the purposes of the NIFA Act, this Resolution and the Nebraska Opportunity Fund.

NOW THEREFORE, BE IT RESOLVED BY THE NEBRASKA INVESTMENT FINANCE AUTHORITY AS FOLLOWS:

Section 1. Operating Resolution. The adoption of this Resolution 463 shall constitute the adoption of an “operating resolution” as specified in Resolution 392.

Section 2. Authorization of the LIHTC Gap Financing Program; Approval of Rules and Regulations in Connection Therewith. The participation of NIFA in connection with the establishment and implementation of the LIHTC Gap Financing Program for the deployment of SLFRF Funds and other sources of funds authorized pursuant to this Resolution in connection with the LIHTC Gap Financing Program to assist in the financing of Eligible Projects within the State is hereby approved. The expected parameters of the LIHTC Gap Financing Program include those set forth in Exhibit A attached hereto (and which, together with the rules and regulations contained in the Qualified Allocation Plans, the rules and regulations adopted by the State and DED in connection with the use of the SLFRF Funds, and the ARPA Act), shall constitute the rules and regulations (as set forth in Section 58-248 of the NIFA Act) for the LIHTC Gap Financing Program and applicable to the use of funds in the LIHTC Gap Financing Account and are hereby adopted by the Board as such rules and regulations applicable to the LIHTC Gap Financing Program and the LIHTC Gap Financing Account. Such rules and regulations and the various program parameters may be revised and amended from time to time by the Executive Director, in her discretion, in accordance with any rules and regulations adopted by the State and DED, as applicable or required pursuant to the ARPA and, as determined by the Executive Director to be in the best interests of NIFA or as may seem necessary, desirable, appropriate or advisable to implement the LIHTC Gap Financing Program.

Section 3. Cooperation with DED in Connection with the LIHTC Gap Financing Program; Additional Agreements. The Executive Director is hereby authorized to execute and deliver for and on behalf of NIFA any and all additional certificates and documents, including, but not limited to, instruments and agreements relating to any contractual or other agreements with DED in connection with the deployment of the SLFRF Funds, as may be necessary, in the determination of the Executive Director, to carry out the public purposes of the LIHTC Gap Financing Program, such terms to be as approved by the Executive Director, together with other documents and agreements and to perform all other acts as she may deem necessary or appropriate to implement and carry out the purposes and intent of this Resolution, including the preamble hereto, and the LIHTC Gap Financing Program. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, NIFA hereby authorizes and directs the Executive Director to perform or cause to be performed such agreements and obligations of NIFA and such other actions as she shall consider necessary or desirable in connection with or in furtherance of this Resolution, the LIHTC Gap Financing Program and the transactions contemplated by this Resolution. The execution and delivery by Executive Director of any of such documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Resolution shall constitute conclusive evidence of the approval thereof of the Executive Director and shall conclusively establish the Executive

Director's absolute, unconditional and irrevocable authority with respect thereto from NIFA and the approval and ratification by NIFA of the documents, agreements, instruments and certifications so executed and the action so taken.

Section 4. Establishment and Funding of the LIHTC Gap Financing Account. The Board hereby authorizes the establishment of the LIHTC Gap Financing Account within the Nebraska Opportunity Fund to assist in providing gap financing to Eligible Projects in order to address the challenges faced by project owners of Eligible Projects with respect to the successful completion of affordable rental housing projects pursuant to the LIHTC Gap Financing Program. The Board further authorizes the allocation of an amount equal to \$3,000,000 in the Nebraska Opportunity Fund to the LIHTC Gap Financing Account to be used in accordance with the parameters of the LIHTC Gap Financing Program and this Resolution.

Section 5. Issuance of Limited Obligations; Entering Into Contractual Obligations. To provide for additional sources of funds to assist in the making of the SLFRF Loans, the Executive Director is hereby authorized to seek and obtain funds from other sources, including private funds, and in connection therewith the Executive Director may enter into such agreements and may obtain such funds, from time to time, by the issuance of Limited Obligations of NIFA in such series and in an aggregate amount not to exceed \$3,000,000, including notes, bonds and other instruments, and the entering into contractual agreements of NIFA and may enter into such agreements in order to effectuate such borrowings by NIFA in accordance with the NIFA Act and as further set forth in this Resolution and Exhibit A hereto. The Limited Obligations shall be payable solely out of the income, revenues and receipts of the Gap Loans funded with the proceeds of such Limited Obligations and shall not be a general liability of NIFA or a charge against the general credit of NIFA.

Section 6. Terms of the Agreements with Purchasers of the Limited Obligations. As provided in Section 58-257 of the NIFA Act, any resolution authorizing the issuance of bonds (such as the Limited Obligations) may contain provisions as described in such section which shall be a part of the contract with the holders of the bonds. Such provisions, to the extent included in the agreements as executed by NIFA, are hereby incorporated into this Resolution as if set forth herein. The revenue, money and properties pledged pursuant to this Resolution and the agreements related to the Limited Obligations shall immediately be subject to the lien and pledge of such agreements and this Resolution in accordance with and as provided in Section 58-258 of the NIFA Act.

Section 7. Ratification of Prior Actions; Prior Action. All actions heretofore taken with respect to the LIHTC Gap Financing Program and the Limited Obligations, and matters incident thereto by the officers of NIFA, to the extent such actions are not in conflict with this Resolution, are hereby in all respects adopted, ratified, approved and confirmed. All provisions of prior resolutions or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflicts, hereby repealed, rescinded and restated.

Section 8. Applicability of Income Taxation. The interest payments, if any, on the Limited Obligations, shall be includable in the gross income of the owners thereof for purposes of federal and Nebraska income taxation.

Section 9. Supplemental Resolutions. NIFA may, subject to the terms and conditions of the contractual agreements entered into in connection with the LIHTC Gap Financing Program and/or the Limited Obligations, pass and execute resolutions supplemental to this Resolution which shall not be inconsistent with the terms and provisions of the existing agreements entered into in connection with the LIHTC Gap Financing Program and/or the Limited Obligations.

Section 10. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or in any Limited Obligation is intended or shall be construed to give to any person, other than NIFA and purchasers of Limited Obligations, any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained, this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of NIFA and the purchasers, if any, of any Limited Obligations as herein provided.

Section 11. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 12. Immunity of Officers. No recourse for the payment of any part of the principal of, premium, if any, or interest, if any, on any for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of any Limited Obligations shall be had against any official, officer, member or agent of NIFA or the State, all such liability to be expressly released and waived as a condition of and as a part of the consideration for the issue, sale and purchase of such Limited Obligation.

Section 13. Prior Resolutions. All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflicts, hereby repealed, rescinded and restated.

Section 14. Effective Date. This Resolution shall be in full force and effect immediately upon its passage and approval.

Section 15. Captions. The captions or headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 16. Validity of Limited Obligations. Each Limited Obligation issued by NIFA shall contain a recital that such Limited Obligation is issued pursuant to the

NIFA Act, and such recital shall be conclusive evidence of its validity and of the regularity of its issuance.

Passed and approved this 17th day of June, 2022.

NEBRASKA INVESTMENT FINANCE AUTHORITY

By: _____
Executive Director

EXHIBIT A

I. Use of Funds in the LIHTC Gap Financing Account and Funds Made Available in Connection with Limited Obligations of NIFA

Purpose: Amounts credited to the LIHTC Gap Financing Account or funds obtained through the issuance of Limited Obligations may be used, together with SLFRF Funds, to provide gap financing to Project Owners of Eligible Projects.

Eligible Applicants: Initially Project Owners of Eligible Projects (4% or 9%) which were awarded Tax Credits or obtained private activity volume cap in 2020 or 2021 pursuant to the Qualified Allocation Plans and who are able to demonstrate a gap in the financing and resources needed to complete an Eligible Project.

Eligible Projects: Projects for which the Projects Owners were awarded Tax Credits or obtained private activity volume cap pursuant to the Qualified Allocation Plans during the years of allocations identified by NIFA.

Determination of Recipients of Gap Loans: NIFA staff will review the applications for the funding of GAP Loans and subject to the priorities established by the Executive Director and DED for the LIHTC Gap Financing Program, including the goal of assisting in the completion of the greatest number of units/projects, either currently under construction or ready to break ground, while balancing the importance of geographic distribution of both the SLFRF Funds and the locations of the projects, in order to determine those Eligible Applicants which shall be eligible to receive Gap Loans. In any event, the overall reasonableness of project costs and closure of all other financing gaps if the applicant's request for assistance pursuant to the LIHTC Gap Financing Program is approved, will be key considerations.

II. Types of Assistance

Loans: Assistance pursuant to the LIHTC Gap Financing Program shall be initially provided as a Gap Loan, repayable by the Project Owner, with a term not to exceed 40 years. Initially, it is anticipated that Gap Loans shall be 40 year term loans, with 100% of the principal thereof payable at maturity.

Interest on the Gap Loans: Interest, if any, to be paid on a Gap Loan shall be established by the Executive Director, and shall not exceed 10.0% per annum. Initially, it is anticipated that Gap Loans will bear interest at a rate of 3.0% or less.

Limit on Funds: The principal amount withdrawn from the LIHTC Gap Financing Account, or the principal amount of any Limited Obligation issued shall, in each case, not exceed the amount determined to be necessary by the Executive Director to be needed to fund the portion of the Gap Loan which may not, pursuant to the ARPA rules and regulations, be funded with SLFRF Funds.

Limit Per Unit: The amount of funds approved by the Executive Director to provide a Gap Loan shall not exceed, unless otherwise determined by the Executive Director in the best interests of the LIHTC Gap Financing Program, \$40,000 per unit in an Eligible Project.

Servicing of Gap Loans. The Gap Loans shall be serviced by NIFA or such other entity with which NIFA may contract to service the Gap Loans.

III. Additional Parameters with Respect to the Use of Funds in the LIHTC Gap Financing Account and the Issuance of Limited Obligations by NIFA in Connection with the Funding of Gap Loans

a. The maximum aggregate principal amount of Limited Obligations to be outstanding at any one time, when combined with any principal amount disbursed pursuant to the LIHTC Gap Financing Account to finance Gap Loans, shall not exceed \$3,000,000.

b. In light of the expected limited principal amount of each specific Limited Obligation, if any, issued by NIFA to assist in the funding of a specific Gap Loan in connection with the LIHTC Gap Program, the issuance, sale and purchase of such Limited Obligations shall not be subject to the existing NIFA Bond Issuance Policy, but rather may be purchased by institutions acceptable to the Executive Director and subject to such investor letter restrictions as determined by the Executive Director.

c. The interest rate, maturity date and related terms of any Limited Obligation shall be the same terms as established for the Gap Loan to be financed in part by the proceeds of the related Limited Obligation, including that no Limited Obligation shall have a final maturity date in excess of 40 years nor shall the interest rate on any Limited Obligation exceed 10.0% per annum.

d. The repayment on, and security for, any Limited Obligation issued by NIFA in connection with the funding of a Gap Loan in accordance with the LIHTC Gap Financing Program shall be limited solely to the Gap Loan funded with proceeds of the Limited Obligation and the proceeds thereof received from the related Project Owner.

e. Interest, if any, on any Limited Obligation, shall not be exempt from either Nebraska state or federal income taxation.

AGENDA ITEM #10

Consideration of a Motion to Authorize the Executive Director, in the Discretion of the Executive Director, to Increase Existing 2020/2021 Conditional Allocations of 9% Low Income Housing Tax Credits/Nebraska Affordable Housing Tax Credits by Re-allocating Returned 2022 9% LIHTC/AHTC, LIHTC/AHTC Returned from a Prior Year and/or National Pool LIHTC in Connection with the LIHTC Gap Financing Program and Application Process with Respect to the Distribution of Certain Federal Funds Appropriated for Development of Affordable Housing Units Eligible for Federal 4% and 9% LIHTC Programs.

Background:

The 2020/2021 Amended and Restated Qualified Allocation Plan (the “2020/2021 QAP”) authorizes the Executive Director to adjust conditional reservation amounts of LIHTC/AHTC awarded by the Board in an amount not to exceed 10% (increase or decrease). Additionally, on September 18, 2020, the NIFA Board authorized the Executive Director to review requests for additional LIHTC/AHTC and adjust each 2020 conditional reservation amount by up to 20% (as determined by the Executive Director) to address the increase in industry construction costs as a result of the Covid-19 pandemic and other extenuating circumstances. Conditional reservations were adjusted accordingly by the Executive Director.

Project owners who received 2020 or 2021 9% LIHTC/AHTC conditional reservations or allocations in 2020/2021 of private activity bond cap (“Bond Cap”) for 4% LIHTC/bond projects have reported to NIFA staff that development of their projects has been overwhelmingly impacted by the increase in construction-related costs, including but not limited to, lack of supplies, increases in material costs, shortages of labor and increases in labor costs. Accordingly, many of these projects will be unable to move forward without additional sources of funding to close the gap in their existing financing arrangements.

In 2022 during the 2nd session of the 107th Nebraska Legislature, LB 1014 was approved which appropriated federal funds (the “SLFRF funds”) (for FY2021-22, \$10,500,000 and for FY 2022-23, \$10,000,000) from the Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act, to the Nebraska Department of Economic Development (“DED”) to contract with NIFA for development of affordable housing units eligible for federal 4% and 9% low-income housing tax credit programs.

NIFA is currently working with DED with respect to a program (the “LIHTC Gap Financing Program”) to deploy the SLFRF funds to provide gap financing to projects owners awarded 2020/2021 LIHTC/AHTC conditional allocations and project owners with 2020/2021 allocations of Bond Cap. In connection with reviewing project information for potential gap assistance through the LIHTC Gap Financing Program, NIFA anticipates that some amount

of 2020/2021/2022 9% LIHTC/AHTC may be returned by the project owners. These returned 9% LIHTC/AHTC would then be available, along with the SLFRF funds, to address the need for gap financing for some of the remaining 2020/2021 Projects.

The existing discretionary authority previously granted to the Executive Director to increase the conditional allocations for the 2020/2021 projects has been or is nearly exhausted. NIFA staff anticipates that, depending upon underwriting of the 2020/2021 projects in connection with evaluating the amount of gap financing from SLFRF funds that might be needed, there will be a need for additional 9% LIHTC/AHTC which the Executive Director would allocate from returned 2022 9% LIHTC/AHTC, LIHTC/AHTC returned from a prior year and/or National Pool LIHTC.

Recommended Action: Move for adoption of the following Motion.

MOTION FOR CONSIDERATION BY THE BOARD

Motion to authorize the Executive Director, in her discretion and upon review of information submitted in connection with applications for SLFRF funds, to reallocate returned 2022 9% LIHTC/AHTC, LIHTC/AHTC returned from a prior year and/or National Pool LIHTC to those project owners with 2020/2021 9% LIHTC/AHTC allocations, in such amounts as determined by the Executive Director based upon receipt and review of such information and completion of the analysis and subsidy layering reviews of such projects, as needed to address current gap financing deficiencies due to the Covid pandemic and other extenuating circumstances.

Agenda Item No. 11

Consideration of Approval of Conditional Reservations for 2022 Low Income Housing Tax Credit (LIHTC) and Affordable Housing Tax Credit (AHTC) Programs.

Discussion:

Fifteen (15) applications were received by NIFA for consideration in the 2022 LIHTC and AHTC Program (9% LIHTC and AHTC) under the competitive process.

- Ten (10) applications were for developments to be located in metro areas and five (5) applications were for developments to be located in non-metro areas.

NIFA and NDED staff members reviewed each application. The scoring methods followed are in accordance with the 2022-2023 Housing Credit Allocation Plan for 9% LIHTC/AHTC, which was approved December 10, 2021, by the NIFA Board of Directors and approved by Governor Pete Ricketts on December 23, 2021.

Action Required:

The Board will be asked to make conditional reservations of 9% LIHTC/AHTC from the 9% competitive cycle, per the recommendations of the Programs Committee.

**NIFA Programs Committee
Report to the Board of Directors
June 17, 2022**

Committee Members:

Herb Freeman, Chair
Susan Bredthauer
Michael Walden-Newman

Others Attending:

Shannon Harner
Robin Ambroz
Sara Tichota
Pamela Otto

Meeting Details:

Tuesday, June 7, 2022, at 2:00 PM via Video Conference

Summary of Meeting Discussion:

2022 LIHTC /AHTC Conditional Reservation Review and Recommendation

Sara provided an overview of the LIHTC/AHTC 9% Competitive Cycle applications. Discussion regarding the annual LIHTC/AHTC allocation, recommendation methodology, and forward commitments occurred. Susan Bredthauer moved that the Programs Committee recommend to the board approval of a Motion to Approve Conditional Reservations for 2022 LIHTC and AHTC Programs. Seconded by Michael Walden-Newman. Approved unanimously. Absent: Colten Zamrzla

Recommended for Board Action: Motion to Approve Conditional Reservations for 2022 LIHTC and AHTC Programs.

Committee adjourned at 2:36pm.

**NEBRASKA INVESTMENT FINANCE AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM
2022 9% LIHTC FINAL APPLICATION LIST
(updated 4/28/2022)**

NIFA PROJECT #	DEVELOPMENT NAME and ADDRESS	LIHTC/AHTC APPLICANT	COUNTY COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGS	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED
7-1017	Emerald View Apartments, LLC South Folsom/West Old Cheney Road Lincoln, NE 68523	Lincoln Civic Housing, Inc. 5700 R Street Lincoln, NE 68505 Thomas Judds: 402.434.5557	Lancaster	64	48	16	16	New Construction Metro Multifamily Townhomes	Non-Profit	Conventional Loan NDED HOME - \$500,000 Deferred Developer Fee LHA Gap	\$16,647,028	\$622,225	\$622,225
7-1018	Southlawn V various addresses Grand Island, NE 68801	Midwest Housing Initiatives P.O. Box 5425 Lincoln, NE 68505 Corey Vandewege: 402.434.2523	Hall	36	28	8	7	Rehabilitation Non-Metro Multifamily Seniors Disaster Declaration	For Profit	Conventional Loan NDED HOME - \$500,000 Deferred Developer Fee Owner Equity	\$6,011,055	\$369,434	\$369,434
7-1019	180 Drexel, LLC 18011 Drexel Street Omaha, NE 68135	180 Drexel, LLC 1886 S 126th Street Omaha, NE 68144 Rob Woodling: 402.504.3248	Douglas	50	40	10	1	New Construction Metro Multifamily Seniors Disaster Declaration Housing CDBG-DR	For Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee Owner Equity	\$12,406,605	\$468,902	\$468,902
7-1020	132 Sahler, LLC 4150 N 132nd Street Omaha, NE 68164	132 Sahler, LLC 1886 S 126th Street Omaha, NE 68144 Rob Woodling: 402.504.3248	Douglas	50	40	10	1	New Construction Metro Multifamily Seniors Disaster Declaration Housing CDBG-DR	For Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee Owner Equity MM Loan	\$14,853,765	\$531,097	\$531,097
7-1021	The Homes at Delago - Bellevue 2013 Lola Avenue Bellevue, NE 68147	Straightline Development, LLC 16255 Woodland Drive Omaha, NE 68136 Jim Posey: 402.660.9700	Sarpy	20	16	4	20	New Construction Metro Single Family Disaster Declaration Housing CDBG-DR	For Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee Owner Equity	\$8,557,041	\$412,563	\$412,563
7-1022	Highlander Phase V 2198 North 31st Street Omaha, NE 68111	Brinshore Development, LLC 666 Dundee Road, Suite 1102 Northbrook, IL 60062 Todd Lieberman: 224.927.5061	Douglas	41	28	13	7	New Construction Metro Multifamily Disaster Declaration Housing CDBG-DR	Non-Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee CHOICE Neighborhoods, 75N	\$16,003,686	\$674,000	\$674,000
7-1023	Fremont Northside Townhomes II S of 29th Street and E of N Yager Rd Fremont, NE 68025	Mesner Development Co. 1415 16th Street, PO Box 335 Central City, NE 68826 Kathy Mesner: 308.946.3826	Dodge	27	27	0	9	New Construction Non-Metro Disaster Declaration Housing CDBG-DR	For Profit	Conventional Loan CDBG-DR - \$2,000,000 Owner Equity	\$6,716,921	\$327,163	\$327,163
7-1024	River Fork Villas N of E Omaha Ave and W of Victory Rd Norfolk, NE 68701	Mesner Development Co. 1415 16th Street, PO Box 335 Central City, NE 68826 Kathy Mesner: 308.946.3826	Madison	20	18	2	10	New Construction Non-Metro Duplex Disaster Declaration	For Profit	Conventional Loan Deferred Developer Fee	\$4,956,480	\$361,684	\$361,684
7-1025	1904 Farnam aka 1904 1904 Farnam Street Omaha, NE 68102	1904FarnamOwner, LLC 1901 Howard Street, #300 Omaha, NE 68102 Neeraj Agarwal: 402.981.3735	Douglas	54	42	12	1	Acq/Rehab Metro Multifamily	Non-Profit	Conventional Loan Historic Tax Credit Deferred Developer Fee Owner Equity PACE	\$18,519,760	\$716,677	\$716,677
7-1026	Foxtail Central 5010 S Folsom Lincoln, NE 68523	Hoppe & Son, LLC 5361 S 48th Street, Suite 220 Lincoln, NE 68516 Jacob Hoppe: 402.489.1600	Lancaster	35	28	7	5	New Construction Metro Multifamily Rowhomes	For Profit	Conventional Loan NDED HTF - \$500,000 City HOME Tax Increment Financing Deferred Developer Fee Solar Credit City of Lincoln-Community Contribution	\$9,757,653	\$426,564	\$426,564
7-1028	Cardinal Commons I 1012 Kasper St Bellevue, NE 68147	Midwest Housing Initiatives P.O. Box 5425 Lincoln, NE 68505 Corey Vandewege: 402.434.2523	Sarpy	36	28	8	18	New Construction Metro Duplex Seniors Disaster Declaration Housing CDBG-DR	Non-Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee	\$11,685,236	\$662,853	\$662,853

**NEBRASKA INVESTMENT FINANCE AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM
2022 9% LIHTC FINAL APPLICATION LIST
(updated 4/28/2022)**

NIFA PROJECT #	DEVELOPMENT NAME and ADDRESS	LIHTC/AHTC APPLICANT	COUNTY COUNTY	TOTAL UNITS	LIHTC UNITS	MARKET UNITS	# OF BLDGS	PROJECT TYPE	PROFIT STATUS	FINANCING SOURCES	ESTIMATED COST	LIHTC REQUESTED	AHTC REQUESTED
7-1029	Meadowlark Apartments 1724 Wilshire Drive Bellevue, NE 68005	Midwest Housing Initiatives P.O. Box 5425 Lincoln, NE 68505 Corey Vandewege: 402.434.2523	Sarpy	36	28	8	1	New Construction Metro Multifamily Seniors Disaster Declaration Housing CDBG-DR	For Profit	Conventional Loan CDBG-DR - \$2,000,000 Deferred Developer Fee	\$9,819,360	\$544,723	\$544,723
7-1030	Avenue 25 Villas E of Hwy 30 along 26th St & 25th Ave Central City, NE 68826	Central City Housing Agency 2525 28th Street Central City, NE 68826 Rebecca Freelend: 308.946.3981	Merrick	16	14	2	8	New Construction Non-Metro Duplex Seniors	For Profit	Conventional Loan NDED HTF - \$500,000 Owner Equity GP Cash Flow Loan	\$3,759,552	\$201,433	\$201,433
7-1031	State Street Villas 620 W. State Street Grand Island, NE 68801	Mesner Development Co. 1415 16th Street, PO Box 335 Central City, NE 68826 Kathy Mesner: 308.946.3826	Hall	20	17	3	10	New Construction Non-Metro Duplex Seniors Disaster Declaration	For Profit	Conventional Loan NDED HOME - \$500,000 Owner Equity	\$4,660,123	\$291,317	\$291,317
7-1032	Purple Martin 6506 N. 180th Street Omaha, NE 68022	Sheltering Tree, Inc. PO Box 4990 Omaha, NE 68104 Denise Gehringer: 402.937.0229	Douglas	48	44	4	2	New Construction Metro Multifamily Special Needs	Non-Profit	Deferred Developer Fee Owner Equity	\$14,394,774	\$911,208	\$911,208
TOTAL				553	446	107	116				\$158,749,039	\$7,521,843	\$7,521,843

Metro/Non-Metro	Threshold Criteria	Other Selection Criteria	Targeting Gross Rents	Efficient Housing Production - Cost Per Unit	Efficient Housing Production - Cost Per Sq. Foot	Efficient Housing Production - LIHTC Per Occupant	Natural Disaster	Total Score
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Metro								
Metro	Yes	54.5	5	1.5	1.5	0.5	2	65.00
Metro	Yes	51.75	5	1.5	1.5	2	2	63.75
Metro	Yes	53	5	1	2	2	0	63.00
Metro	Yes	52	5	1	0.5	0.5	0	59.00
Metro	Yes	52	5	0	0	0	2	59.00
Metro	Yes	47	5	0	0	0.5	3	55.50
Metro	Yes	45	5	0	0	0	2	52.00
Metro	No							
Metro	No							
Metro	No							

Non-Metro								
Non-Metro	Yes	53	5	2	1.5	0.5	0	62.00
Non-Metro	Yes	46.5	5	0.5	2	2	3	59.00
Non-Metro	Yes	50	5	1.5	0	0	2	58.50
Non-Metro	Yes	48.5	5	0	0.5	1.5	2	57.50
Non-Metro	No							

	=Recommended for Conditional Reservation
	=Did not meet threshold

2022 9% NIFA/NDED Application – Emerald View Apartments, LLC

Exhibit 1 - One-page Summary of Proposed Development

Lincoln Civic Housing, Inc. is planning to construct a new, 64-unit, multi-family, rental housing development near the northwest corner of South Folsom Street and West Old Cheney Road in Lincoln, Lancaster County, Nebraska.

The property will be mixed-income - 48 units reserved for households with income 60 percent or below the Area Median Income. The remaining 16 units will be non-restricted.

Unit types consist of one, two, three and four-bedrooms - apartment and townhome style buildings. Construction will include a clubhouse, playground, garden plots, covered garages and a maintenance building.

Southlawn V Grand Island, Nebraska Project Description

The proposed Southlawn V project is located at 1815-1821 Henry Street, the even addresses of 1746-1784 & 1830-1840 Ada Street, Grand Island, Hall County, Nebraska. The Southlawn V project will consist of the rehabilitation of the Southlawn Apartments II & III, which consist of 1 four-plex, 4 five-plexes, and 2 six-plexes (36 units). All 36 units will consist of two bedrooms and one bathroom.

The Southlawn V site is comprised of approximately 3.67 acres. The site is close to several grocery and retail shopping areas. Project activities will consist primarily of the complete rehabilitation of each unit including replacing all flooring, fixtures, countertops, appliances, bathroom shower/tubs and sinks, windows, painting of all interior walls, additional attic insulation and exterior siding. Several areas of concrete will also be replaced including sidewalks and driveways where cracks and heaving have occurred.

Unit Makeup (*Area Median Income - AMI*)

- 9 two-bedroom units at 60% AMI rent levels - \$575 a month*
- 15 two-bedroom units at 50% AMI rent levels - \$575 a month*
- 4 two-bedroom units at 40% AMI rent levels - \$500 a month*
- 8 two-bedroom units at Market Rate rent levels - \$650 a month*

**Water, Sewer, and Trash services paid by owner*

These attractive and marketable units will be single levels with exterior features such as partial brick and landscaping. Amenities will include an outdoor senior exercise equipment area, community garden, single-car garage, washer, dryer, dishwasher, refrigerator, stove, microwave, and a rear patio. The Southlawn V project will pay for up to 432 round trips of transportation, 12 per household, using the CRANE Public Transit. Also, the Southlawn V project will pay annual renter's insurance for all residents that request insurance. All units will have two bedrooms and one bathroom. Twenty-four of the units will have 884 sq. ft. of residential living space and 300 sq. ft. of garage space for a total of 1,184 total sq. ft. Twelve of the units will have 891 sq. ft. of residential living space and 263 sq. ft. of garage space for a total of 1,154 sq. ft. Two units will be accessible units and one unit will be accessible for persons with sensory (hearing or vision) impairments. All units will meet the current International Energy Conservation Code used by the city of Grand Island and several Green Standards.

The preliminary anticipated total project cost for Southlawn V is approximately \$6,011,055. The funding for the project is comprised of: tax credit equity (Federal and State) of \$4,617,466, HOME funds totaling \$500,000, GP equity of \$85,000, deferred developer fees of \$42,300 and permanent financing of \$766,289.

According to the Grand Island 2020 Housing Study the city needs to encourage the development or substantial renovation of 1,360 housing units before the end of 2024. The Southlawn V development will help towards the City of Grand Island's housing needs.

SUMMARY OF PROPOSED 180 DREXEL STREET HOUSING DEVELOPMENT

The proposed 180 Drexel development will consist of 50 unit's total of new construction in Omaha, NE. The development will consist of 50 two-bedroom units with between 877 to 1,078 square feet. Each unit will have a washer and dryer, range, refrigerator, microwave, dishwasher, access to a storm shelter, and a medical alert/emergency response system. The affordable units are intended for tenants at or below 60% AMI and will rent for \$700 per month for two bedroom units. Market rate units will be available as well and rent for \$800 for two-bedroom units.

Funding for 180 Drexel Street will be provided by equity from the sale of LIHTCs and AHTCs, permanent financing, CDBG-DR, general partner equity and a deferred developer fee from the developer.

SUMMARY OF PROPOSED 132 SAHLER STREET HOUSING DEVELOPMENT

The proposed 132 Sahler development will consist of 50 units total of new construction in Omaha, NE. The development will consist of 50 two-bedroom units with between 877 to 1,115 square feet. Each unit will have a washer and dryer, range, refrigerator, microwave, dishwasher, access to a storm shelter, and a medical alert/emergency response system. The affordable units are intended for tenants at or below 60% AMI and will rent for between \$650 and \$750 per month for two bedroom units. Market rate units will be available as well and rent for \$800 for two-bedroom units.

Funding for 132 Sahler Street will be provided by equity from the sale of LIHTCs and AHTCs, permanent financing, CDBG-DR, general partner equity and a deferred developer fee from the developer.

**Delago Homes
Exhibit 1**

The Delago Homes will be much needed new construction rental housing units providing housing on vacant land in the City of Bellevue off of Gilmore Lake Road. There will be 20 new construction single family homes. All the units will be 4 bed/ 2 bath units consisting of 1,754 sq. ft. with washer and dryer, range, refrigerator, microwave, dishwasher, storage and garage.

The land sits in residential area and is entitled for the proposed use. The market study shows strong demand for affordable multi-family housing. These units will help replace units from the 2019 spring flooding housing loss.

Funding for Delago Homes will come from but not limited to equity from the sale of LIHTC and AHTC, permanent financing, CDBG-DR funds, deferred developer and owner equity.

The Developer/Builder consists of Melvin Sudbeck and Jim Posey who have a combined experience of over 50 years in the development and construction industry. One of the partners has most recently acquired existing LIHTC properties. They will also be using third party management to lease the property to ensure that all compliance is met.

HIGHLANDER PHASE V (DAVIS RIDGE)

Project Summary

Highlander Phase V is the 41-unit fifth phase of the Highlander Campus and fourth phase of the North 30th HUD Choice Neighborhoods Implementation (CNI) Grant. Highlander Phase V will redevelop a portion the former Pleasant View Homes public housing site into a mixed-income community offering a variety of housing types to a range of household sizes. The new construction project will include seven three-story walk-up style buildings offering one, two and three-bedroom units.



Context

Located 1 mile from downtown, ¾ mile from the largest medical cluster in the region and within two blocks of Highway 75N on the site of the former Pleasant View Homes, the Highlander site is well located both locally and regionally. Highlander Phase V will build on the success of the residential Highlander Phases I and IV and Nobility Point developments and the Accelerator campus, offering residents a number of neighborhood amenities within a short walk.

Unit/Income Mix

68% or 28 of the 41 units will be income restricted at below 40-60% AMI. 14 of these units will have Project Based Vouchers. 32% or 13 of the 41 units will be unrestricted market rate units.

Type	Count	Monthly Rent
1 Bedroom	2	\$630-830
2 Bedroom	13	\$750-1,025
2 Bedroom + office	4	\$800-1,100
3 Bedroom	22	\$850-1,400
Total	41	

Developer Background

Highlander Phase V is a collaboration between Brinshore Development, LLC (Brinshore), Seventy-Five North Revitalization Corporation (75N), and the Omaha Housing Authority (OHA).

Design and Amenities

The development will be designed to market rate standards and will have a unique contemporary look. Project amenities are designed to serve households of a variety of sizes and include a community room, balconies and patios, community gardening plots, and in-unit washers and dryers.

Development Team

The project is being designed by El Dorado Architecture from Kansas City, MO, the same architect as the Accelerator campus directly east of Highlander V. Ehrhart Griffin and Associates will provide civil engineering services. Seldin Company will be the property manager. To date, we have employed an integrated design process.

Financing

The project will be financed with a mix of 9% Federal and State Low Income Housing Tax Credit (LIHTC) Equity, CHOICE funds, Community Development Block Grant – Disaster Recovery (CDBG-DR) or additional CHOICE funds, and deferred developer fee.

Economic Impact

As an infill-development on the vibrant Highlander campus, Highlander Phase V will plug into existing city services and schools. The Highlander redevelopment effort has included investment in the Howard Kennedy Elementary School which will serve Highlander Phase V. Highlander Phase V addresses the need for quality affordable housing in North Omaha by offering a variety of unit types from one to three-bedroom units at a variety of income levels. In addition, it will create several permanent full-time jobs and a number of construction jobs.

Fremont Northside Townhomes II is a proposed 27-unit rental housing project to be occupied by the general population located in Fremont, Nebraska. The units will be on the north side of town – south of 29th Street, north of East 23rd Street, and east of North Yager Road in Fremont, Nebraska. Fremont Northside Townhomes II will be east of Hidden Brook Townhomes on the east side of North Yager Road. The City of Fremont has a population of 26,437 as of 2019 and has been designated as an Economic Development Certified Community by the Nebraska Department of Economic Development.

The project will be built in triplex design and consists of 27 single-story three and four-bedroom rental units (nine buildings). The floor plans will have two different designs: Floor Plan 1 units, which are three-bedroom units, will have 1,277, 1,285 and 1,262 square feet of living space and; Floor Plan 2 units, which have two four-bedroom end units, will have 1,518 and 1,537 square feet of living space while the middle unit will be a three-bedroom with 1,311 square feet. The 1,537 square foot units with four bedrooms will be ADA. All units in Fremont Northside Townhomes II will include an attached garage, garage door opener, storm shelter, washer, dryer, range, refrigerator, dishwasher, garbage disposal and microwave. Lawn care, snow removal, and trash will be provided and paid for by the project. The development will have a playground for use by all residents of Fremont Northside Townhomes II.

All 27 units will be leased to households whose incomes are at or below 60% or less of the area median income (AMI) and will utilize Income Averaging in accordance with Section 42 of the Internal Revenue Code.

All of the units will be designated CDBG-DR units with their income at or below 80% AMI.

The total project cost is \$6,716,921. Of this amount, \$2,000,000 will be funded with CDBG-DR (Community Development Block Group - Disaster Recovery) funds as Dodge County is designated as one of the counties which is able to take advantage of these funds due to Winter Storm Ulmer, \$2,780,885 will be funded with Federal Low-Income Housing Tax Credit equity, \$1,275,936 will be funded with State Affordable Housing Tax Credit equity, \$110,100 will be in the form of Owner Equity, and \$550,000 will be in the form of a conventional first mortgage.

Mesner Development Co. of Central City, Nebraska is the LIHTC Co-Applicant and Developer of the project. Fremont Housing Agency will be the Management Agent as well as the Managing Member of Fremont Northside Townhomes II, LLC, the ownership entity of the project. Fremont Housing Agency will also have the Right of First Refusal to purchase the property at the end of the 15-year tax credit compliance period. The investing member of the LLC will be Midwest Housing Equity Group through MHEG Fund 56, L.P.

All of the units are handicapped adaptable and will meet visitability standards. Two units will meet all UFAS requirements for accessibility.

River Fork Villas is a proposed 20-unit rental housing project to be occupied by the general population located in Norfolk, Nebraska. The units will be on the southeast side of town – north of E. Omaha Avenue (Highway 275) and west of North Victory Road in Norfolk, Nebraska. The City of Norfolk has a population of 24,651 as of 2018 and has been designated as an Economic Development Certified Community by the Nebraska Department of Economic Development.

The project will be built in duplex design and consists of 20 single-story three and four-bedroom rental units (ten buildings). The floor plans will have two different designs: The three-bedroom units will have 1,218 square feet of living space; the four-bedroom units will have 1,501 square feet of living space in the standard units and 1,557 square feet of living space in the ADA units. All units in River Fork Villas will include an attached garage, garage door opener, storm shelter, washer, dryer, range, refrigerator, dishwasher, garbage disposal and microwave. Lawn care, snow removal, and trash will be provided and paid for by the project. The development will include an exterior playground for residents to enjoy.

18 of the 20 units will be leased to households whose incomes are at or below 60% of the area median income (AMI) as determined in accordance with Section 42 of the Internal Revenue Code. The two remaining units will be market rate.

The total project cost is \$4,956,480. Of this amount, \$3,074,311 will be funded with Federal Low-Income Housing Tax Credit equity, \$1,367,169 will be funded with State Affordable Housing Tax Credit equity, \$65,000 will be in the form of a Deferred Developer Fee, and \$450,000 will be in the form of a conventional first mortgage.

Mesner Development Co. of Central City, Nebraska is the LIHTC Applicant, Developer, and Management Agent of the project. Mesner Development Co. will also be the Managing Member of River Fork Villas, LLC, the ownership entity of the project. NeighborWorks Northeast Nebraska will have the Right of First Refusal to purchase the property at the end of the 15-year tax credit compliance period. The investing member of the LLC will be Midwest Housing Equity Group through MHEG Fund 56, L.P.

All of the units are handicapped adaptable and will meet visitability standards. One unit will meet all UFAS requirements for accessibility.

1904Farnam
Exhibit 1
Project Summary

7-1025 1904Farnam

1904Farnam (`project_) will serve as one of the first truly mixed-income new construction multifamily housing projects in the Downtown Omaha area.

This iconic building is located on Omaha's original main street, Farnam, is literally across the street from City Hall in Omaha's Central Business District. This building is commonly referred to as the Service Life Building. For decades, this building has served as a home to numerous local law firms, small businesses and non-profits and the 1st floor has served as home for the below Manhattan's Deli which has served as a staple for many local attorneys.

The project will be a historic tax credit renovation of a 7-story building. The 1st floor presently consists of a lobby and three small commercial spaces, including the abovementioned deli. The top six floors will be renovated into 54 units with a mix of 18 studios and 36 one-bedrooms.

Relative to square footage: (a) the rentable square footage for the 54 units totals 30,912 and (b) the commercial space is approximately 7,133 square feet.

This project is a concerted effort by the development team to bring more affordable housing to the urban core of large cities such as Omaha.



EXHIBIT 1 - Summary of Proposed Development

Foxtail Central is a proposed 9% LIHTC rental housing project located in Lincoln, Nebraska. The project will utilize roughly 2.4 acres out of an approximately 50 acre master-planned community in Southwest Lincoln. The location is surrounded by future market-rate development, and will be proximate to a future elementary school, bike path and recreational facilities, and major transit corridors. It is located in an area identified as “Overall Very High” for Child Opportunity Levels, and the affordable housing project will be integrated into a new development neighborhood with market rate ownership and rental housing opportunities anchored by a community church and commercial center. The master-planned community and project is the result of a community-wide effort between the City of Lincoln, local banks, the community foundation, Hope Community Church, the developer, and housing nonprofits to meet the goals of Lincoln’s affordable housing action plan. Construction is anticipated to start in the fall of 2022.

Buildings & Amenities

Foxtail Central consists of 35 total rowhome units (20 3-bedroom and 15 4-bedroom units). All units will have an attached garage, storage area of at least 288 cubic feet, and washer and dryer. The project will feature a playground. Lawn care, snow removal, sewer and water, trash services and recycling will be provided to the tenants at the project’s costs, and recycling services will be provided by a community service provider.

Zoning, Land Use, and Redevelopment

The site is zoned “Planned Unit Development” within an R-4 district. The Change of Zone and Annexation Agreement were approved by City Council on March 7, 2022. The area has been determined to be blighted, and a Redevelopment Plan has been submitted that allocates the Tax Increment Financing to the project necessary to support the source of funds. Further, the city has made other firm commitments to the project through its CIP and impact fee waiver.

Rents & Eligibility

7 of the units (20%) will be market rate. The remaining 28 units (80%) will be rented to those making 60% of Area Median Income and below at rates consistent with the 60% affordability or below. In addition, the development will target gross rents at lower levels by proposing 14 units (40%) to have a targeted gross rent that is affordable to households whose income is 50% of the applicable AMI and 4 units (10%) to have a targeted gross rent that is affordable to households whose income is 40% of the applicable AMI.

Source & Uses of Funds

The total project will cost approximately \$9.7mm. Sources for the project will feature conventional financing, HTF funds, City of Lincoln HOME funds and/or other funds available to the City, a deferred development fee (in excess of 25%), tax increment financing, the sale of solar tax credits, and contributions from the City of Lincoln. The Exhibit 111 will enumerate the exact numbers.

Impact on Local Economy

The City of Lincoln is able to provide support services to the development, and is actively expanding sewer, water, roads, and locating schools in the area of the development. The local need for this project has been established in Lincoln’s recently adopted Affordable Housing Coordinated Action Plan, which prioritizes affordable housing and shows a need for over 5,000 affordable units by 2030. The project will have a positive economic impact by creating jobs during the construction phase, providing lower income workers with safe and secure housing, and attracting additional private investment in this area of Lincoln.

Cardinal Commons I - Bellevue, Nebraska

Project Description

The proposed Cardinal Commons I project is located at 1012 Kasper Street, Bellevue, Sarpy County, Nebraska. The Cardinal Commons I project will consist of the new construction of 18 senior duplexes (36 units). All 36 units will consist of two bedrooms and one bathroom.

The Cardinal Commons I site is comprised of approximately 11 acres. The site is close to several grocery and retail shopping areas, as well as medical services and pharmacies. Project activities will consist primarily of the new construction of the 18 senior duplexes (36 units), infrastructure work, site work, demolition of a horse barn and three sheds, and repurposing a single-family home into a community building for Cardinal Commons I resident use.

Unit Makeup (*Area Median Income - AMI*)

- 9 two-bedroom units at 60% AMI rent levels - \$700 a month*
- 15 two-bedroom units at 50% AMI rent levels - \$660 a month*
- 4 two-bedroom units at 40% AMI rent levels - \$600 a month*
- 8 two-bedroom units at Market Rate rent levels - \$800 a month*

**Water, Sewer, and Trash services paid by owner*

These attractive and marketable units will be single levels with exterior features such as partial brick and landscaping. Amenities will include a community building, single-car garage, washer, dryer, dishwasher, refrigerator, stove, microwave, storage area, and a rear patio. The Cardinal Commons I project will pay for up to 432 round trips of transportation, 12 per household, using the Omaha Metro Public Transportation. Also, the Cardinal Commons I project will pay annual renter's insurance for all residents that request insurance. All of the units will consist of two bedrooms and one bathroom (1,034 sq. ft. of living area + 292 sq. ft. of garage area + 53 sq. ft. of storage area = 1,379 total sq. ft.). Two units will be accessible units and one unit will be accessible for persons with sensory (hearing or vision) impairments. All units will meet the current International Energy Conservation Code used by the City of Bellevue and several Green Standards.

The preliminary anticipated total project cost for Cardinal Commons I is approximately \$11,685,236. The funding for the project is comprised of: tax credit equity (Federal and State) of \$8,218,555, CDBG-DR funds totaling \$2,000,000, deferred developer fees of \$479,324 and permanent financing of \$987,357. CDBG-DR funds will be used for site acquisition, utilities, architect and engineering fees, and legal fees. We anticipate this being a 30 or 40-year loan.

The City of Bellevue was one of the hardest hit areas from the record breaking 2019 floods. Bellevue is included in HUD's designated most Impacted and Distressed (MID) areas. According to the Sarpy County & Communities, Nebraska County-Wide Housing Study with Strategies for Housing Affordability findings a majority of the 399 lost housing units in Sarpy County due to the 2019 disaster, an estimated 340 units, were in areas occupied by low- to moderate-income individuals and families. This includes an estimated 200 manufactured, modular and mobile homes in the City of Bellevue. At least 278 rental units are recommended for very-low and low-income Sarpy County households by 2025. An estimated 154 rental housing units should be designated for seniors in the City of Bellevue.

The Cardinal Commons I project will bring much needed affordable housing to Bellevue, NE, benefiting low- to moderate-income seniors. The overarching goal of the development is to increase senior affordable housing supply in flood impacted areas and increase community resiliency in the face of future natural disasters by adding affordable housing in non-flood zone areas of Bellevue. CDBG-DR funding will provide gap financing for this senior new construction LIHTC development that would not otherwise be feasible.

Meadowlark Apartments - Bellevue, Nebraska

Project Description

The proposed Meadowlark Apartments project is located at 1724 Wilshire Drive, Bellevue, Sarpy County, Nebraska. The Meadowlark Apartments project will consist of the new construction of 1 four-story senior apartment building (36 units). Thirty units will consist of two-bedrooms and one bathroom, and six units will consist of one bedroom and one bathroom.

The Meadowlark Apartments site is comprised of approximately 1.49 acres on vacant land in the City of Bellevue. The site is across the street from a grocery store and retail shopping area. As well as close to medical services and pharmacies. Project activities will consist primarily of the new construction of 1 four-story apartment building (36 units), infrastructure work, site work, and building a community garden for resident use.

Unit Makeup (*Area Median Income - AMI*)

- 1 one-bedroom unit at 60% AMI rent levels - \$585 a month*
- 3 one-bedroom units at 50% AMI rent levels - \$585 a month*
- 1 one-bedroom unit at 40% AMI rent levels - \$550 a month*
- 1 one-bedroom unit at Market Rate rent levels - \$675 a month*
- 8 two-bedroom units at 60% AMI rent levels - \$675 a month*
- 12 two-bedroom units at 50% AMI rent levels - \$675 a month*
- 3 two-bedroom units at 40% AMI rent level - \$635 a month*
- 7 two-bedroom units at Market Rate rent levels - \$775 a month*

**Water, Sewer, and Trash services paid by owner*

These attractive and marketable units will be in a four-level apartment building with an elevator and will include exterior features such as partial brick and landscaping. Amenities will include a community room, exercise room, reading room, community garden, leasing office, washer, dryer, dishwasher, refrigerator, stove, microwave. The Meadowlark Apartments project will pay for up to 432 round trips of transportation, 12 per household, using the Omaha Metro Public Transportation. Also, the Meadowlark Apartments project will pay annual renter's insurance for all residents that request insurance. Thirty of the units will consist of two bedrooms and one bathroom (910 sq. ft. of total living area). Six of the units will consist of one bedroom and one bathroom (760 sq. ft. of total living area). Two units will be accessible units and one unit will be accessible for persons with sensory (hearing or vision) impairments. All units will meet the current International Energy Conservation Code used by the City of Bellevue and several Green Standards.

The preliminary anticipated total project cost for the Meadowlark Apartments is approximately \$9,819,360. The funding for the project is comprised of: tax credit equity (Federal and State) of \$6,753,888, CDBG-DR funds totaling \$2,000,000, deferred developer fees of \$275,000 and permanent financing of \$790,472. CDBG-DR funds will be used for site acquisition, utilities, architect and engineering fees, and legal fees. We anticipate this being a 30 or 40-year loan.

The City of Bellevue was one of the hardest hit areas from the record breaking 2019 floods. Bellevue is included in HUD's designated most Impacted and Distressed (MID) areas. According to the Sarpy County & Communities, Nebraska County-Wide Housing Study With Strategies for Housing Affordability findings a majority of the 399 lost housing units in Sarpy County due to the 2019 disaster, an estimated 340 units, were in areas occupied by low- to moderate-income individuals and families. This includes an estimated 200 manufactured, modular and mobile homes in the City of Bellevue. At least 278 rental units are recommended for very-low and low-income Sarpy County households by 2025. An estimated 154 rental housing units should be designated for seniors in the City of Bellevue. The Meadowlark Apartments project will bring much needed affordable housing to Bellevue, NE, benefiting low- to moderate-income seniors. The overarching goal of the development is to increase senior affordable housing supply in flood impacted areas and increase community resiliency in the face of future natural disasters by adding affordable housing in non-flood zone areas of Bellevue. CDBG-DR funding will provide gap financing for this senior new construction LIHTC development that would not otherwise be feasible.

Avenue 25 Villas, LLC is a proposed 16-unit rental housing project to be occupied by seniors located in Central City, Nebraska. The units will be on the south side of town – east of Highway 30 along 26th Street and 25th Avenue in Central City, Nebraska. Avenue 25 Villas, LLC will be north of Southeast Villas, another LIHTC project owned and operated by the Central City Housing Agency. The 2019 population of Central City was 2903.

The project will be built in duplex design and consists of sixteen (16) one-story, two-bedroom units (8 duplexes). Each duplex will include 2 units with 1,120 square feet of living space. All units in Avenue 25 Villas will include an attached garage, garage door opener, storm shelter, washer, dryer, range, refrigerator, dishwasher, garbage disposal and microwave. Lawn care, snow removal, and trash will be provided and paid for by the project. Each unit will include an individual raised planter box by the back patio with a watering system that can be managed by the tenant.

Fourteen (14) units will be leased to households whose incomes are between 30% and 60% of the area median income (AMI) as determined in accordance with Section 42 of the Internal Revenue Code. Two (2) units will be leased as market rate units.

The total project cost is approximately \$3,759,552. Of this amount, \$1,712,007 will be funded with Federal Low-Income Housing Tax Credit equity, \$785,509 will be funded with State Affordable Housing Tax Credit equity, \$500,000 of NE HTF Funds, \$152,000 will be in the form of Managing Member (CC Housing Authority) equity and \$125,000 is a GP Cash flow Loan, and \$485,036 in a permanent loan.

In addition, we are also requesting TIF and additional ARPA funding from the City of Central City to help with infrastructure costs. The Central City Housing Agency is also asking the city to demolish the existing vacant home and shed currently located on the property.

Central City Housing Agency of Central City, Nebraska is the LIHTC and HTF Applicant, Managing Member and Management Agent of Avenue 25 Villas, LLC, the ownership entity of the project. Mesner Development Co. will be the Applicant and Developer of the project. Central City Housing Agency of Central City, Nebraska will have the Right of First Refusal to purchase the property at the end of the 15-year tax credit compliance period. The investing member of the LLC will be Midwest Housing Equity Group.

All units are handicapped adaptable and will meet visitability standards. One unit will meet all UFAS requirements for accessibility.

State Street Villas is a proposed 20-unit rental housing project to be occupied by the senior aged 55 and older population located in Grand Island, Nebraska. The units will be on the southeast side of town at approximately 620 W. State Street in Grand Island, Nebraska. The City of Grand has been designated as an Economic Development Certified Community by the Nebraska Department of Economic Development and has a population of 53,131 in 2020.

The project will be built in duplex design and consists of 20 single story two-bedroom rental units (ten buildings). The units will have 998 square feet of living space. All units in State Street Villas will include an attached garage, garage door opener, storm shelter, washer, dryer, range, refrigerator, dishwasher, garbage disposal and microwave. Lawn care, snow removal, and trash will be provided and paid for by the project. Each unit will include an individual raised planter box by the back patio with a watering system that can be used by the tenant.

All units will be occupied by households earning at or below 60% AMI. Four of the units will be HOME Investment Partnerships Fund floating HIGH HOME units occupied by tenants at or below 60% AMI. Three units will be market rate units.

The total project cost is \$4,660,123. Of this amount, \$2,475,903 will be funded with Federal Low-Income Housing Tax Credit equity, \$1,135,962 will be funded with State Affordable Housing Tax Credit equity, \$65,000 will be from a Deferred Developer Fee, \$500,000 will be in the form of a HOME Funds deferred loan, \$483,258 will be in the form of a conventional first mortgage.

Mesner Development Co. of Central City, Nebraska is the LIHTC Applicant, Developer, and Management Agent of the project. Mesner Development Co. will also be the Managing Member of State Street Villas, LLC, the ownership entity of the project. Mesner Development Co. will be the HOME Funds Applicant. The investing member of the LLC will be Midwest Housing Equity Group. Housing Development Corporation of Hastings will receive the non-profit Right of First Refusal on the project.

All of the units are handicapped adaptable and will meet visitability standards. One unit will meet all UFAS requirements for accessibility.

EXHIBIT NO. 1
SUMMARY

PURPLE MARTIN APARTMENTS



PURPLE MARTIN APARTMENTS
LIHTC DEVELOPMENT – SHELTERING TREE, INC.

Sheltering Tree, Inc. is a 501(c)(3) organization tackling a big issue-the urgent need for affordable housing for adults with developmental disabilities (DD).

Sheltering Tree is dedicated to serving persons with DD through consumer-controlled, affordable, supportive, and safe apartment communities. This housing model empowers adults with DD to live self-determined lives and to be engaged in their community.

With the experience of seven years of successful operation of two affordable, elaborate housing developments, Sheltering Tree is equipped with an effective and sustainable model set for future developments.

Sheltering Tree currently has a waiting list of 180+ prospective residents, and a population of more than 25,000 adults with DD living in Nebraska. Sheltering Tree apartment living includes 24/7 Resident Assistant monitored safety and security.

To assist both future and current residents with DD in realizing long-term apartments living success, Sheltering Tree offers a community-centered program appropriately called GOALS. GOALS-Growth Opportunities for Apartment Living Success offers classes designed to teach or expand skills in fun, interactive classes taught by certified trainers using evidence based and nationally recognized curriculum. Six key topics are taught over the course of a year: (1) Nebraska Rent Wise-How to be a Successful Tenant; (2) Money Management – Real World Budgeting; (3) Personal Health and Wellness; (4) First Aid/CPR; (5) Be Safe – Properly Interacting with First Responders; and (6) People Skills – Social Success.

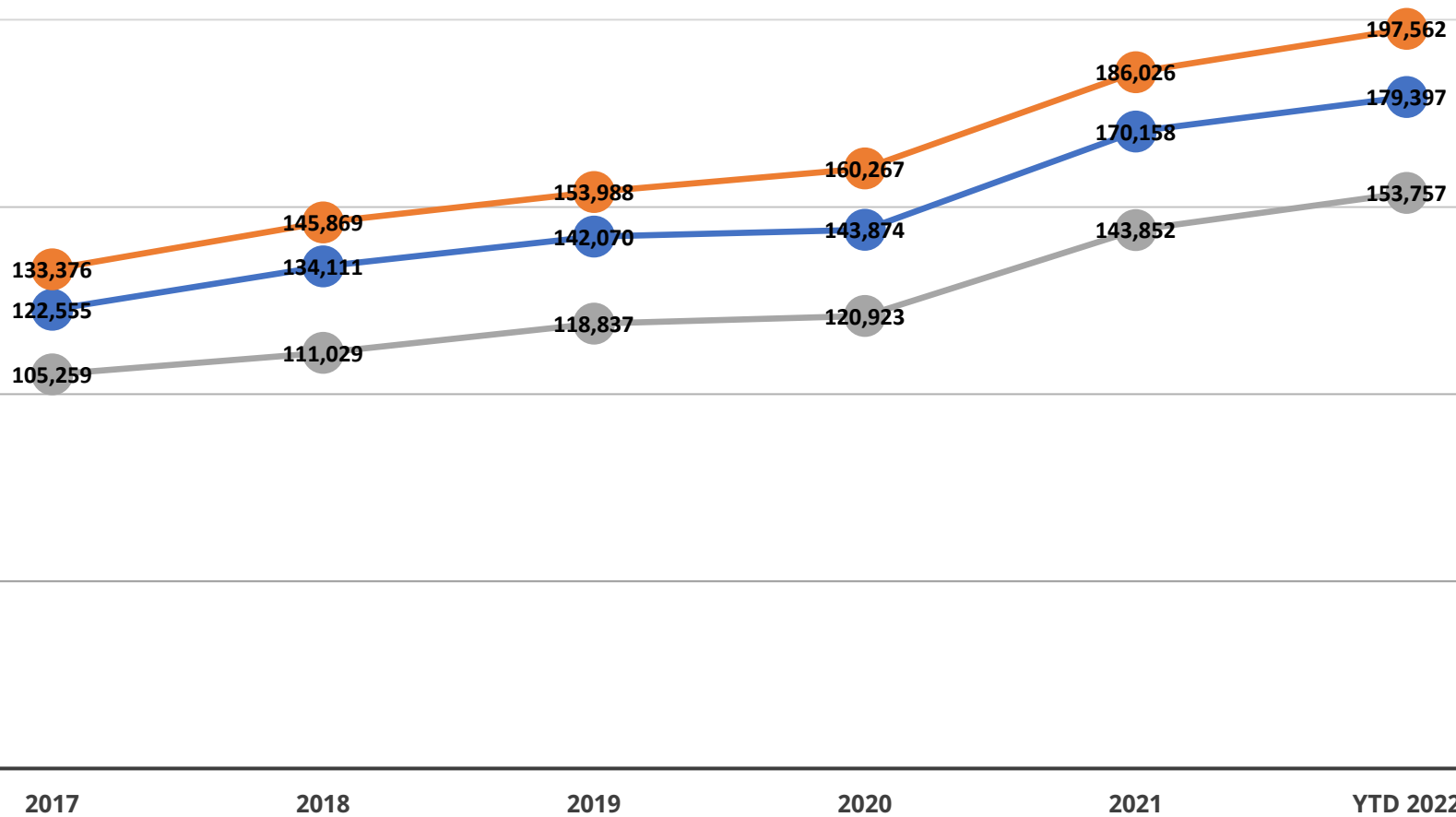
Our next project, located in Douglas County is Purple Martin Apartments and will involve two single-story buildings of approximately 22,000 square feet in each. Located at 182nd and Purple Martin Parkway St, Elkhorn, NE, each of the two buildings will consist of twenty-two one-bedroom units approximately 664 square feet of affordable housing for adults with DD and two manager units. The project has a total of 48 units. The residents will have access to a commons area consisting of an entrance lobby, a gathering room, dining room, catering kitchen, storm shelter, mechanical room, laundry room, and wellness center. There will also be a paved and lighted parking lot with drive-up area located under each entrance canopy, therapeutic outdoor gardening spots, and a recreational basketball hoop area.

The property for the Purple Martin Apartments is located near major transportation routes where access to grocery stores, schools (elementary, high school, and technical), employment opportunities, and entertainment are within reasonable distance. This area was prioritized as our next build in part due to the preferences indicated by interested prospective residents on our growing waiting list, as well as our donor base.

Homeownership Program Average Purchase Price

As of 6/2/22

Overall Urban Rural



Governance Committee

Report to the Board of Directors

June 17, 2022

Committee Members:

George Achola
Warren Arganbright
Herb Freeman
Galen Frenzen

Others Attending:

Shannon Harner
Robin Ambroz
Christie Weston
David Young

Meeting Details:

Monday, June 13 at 2:30 p.m.
via Video Conference

Summary of Meeting Discussion:

Review of Proposed FY 2023 NIFA Operating Fund and NOF Budget

Staff presented a draft of the FY 2023 operating and Nebraska Opportunity Fund (NOF) budgets. Changes from the previous (FY 2022) budget were highlighted. Overall, the proposed budget holds operating expenses to a 2% increase over the current year budget. The limited expense growth, coupled with new revenue sources and higher returns on operating fund assets, results in a reduction by nearly 75% (\$1.7 million) in the necessary allocation from operating reserves. The committee held discussions on various components of the budget. The following recommendation was proposed and agreed upon by all members.

Recommendation for Board Action: Adoption of the proposed FY 2023 NIFA Operating Fund and NOF budgets as presented in the Board Book.

Meeting Adjourned at 3:37 p.m.

FY 2023 Operating Fund Budget

Summary

	Reforecasted Budget 6/30/2022	7/1/21 - 4/30/22		Budget vs. Actual	Proposed Budget 6/30/2023	Budget to Budget	
		YTD Budget	YTD Actual			% Change	\$ Change
Operating Revenue:							
Investments	92,000	76,666	(57,145)	133,811	1,000,000	987.0%	908,000
Loans	533,000	444,166	177,520	266,646	600,000	12.6%	67,000
Fees and Other Income	1,955,559	1,790,050	1,806,920	(16,870)	2,164,000	10.7%	208,441
Single Family Op Fees	1,600,000	1,595,200	1,441,781	153,419	1,500,000	-6.3%	(100,000)
Conference/Training Registration Fees	0	0	0	0	175,000	100.0%	175,000
HAF Program Administration	37,500	31,250	0	31,250	483,000	1188.0%	445,500
Workforce Housing	0	0	0	0	90,000	100.0%	90,000
Allocation from Operating Reserves	2,225,431	1,417,383	1,158,999	258,384	563,115	-74.7%	(1,662,316)
Total Operating Revenue	6,443,490	5,354,715	4,528,075	826,640	6,575,115	2.0%	131,625
Operating Expenses:							
Personnel	3,839,995	3,199,988	2,854,970	345,018	3,946,153	2.8%	106,158
Office Operations	500,438	417,026	278,421	138,605	636,286	27.1%	135,848
Professional Fees	1,248,900	1,020,748	750,292	270,456	1,156,700	-7.4%	(92,200)
Information Technology	640,705	533,913	464,286	69,627	656,976	2.5%	16,271
Rent	205,952	176,793	177,106	(313)	175,000	-15.0%	(30,952)
MBS/Warehouse Fees	7,500	6,247	3,000	3,247	4,000	-46.7%	(3,500)
Total Operating Expenses	6,443,490	5,354,715	4,528,075	826,640	6,575,115	2.0%	131,625
Net Operating Income	0	0	0	0	0		
Mission & Non-Recurring Expenses:							
NOF-Expenditures	705,500	587,917	416,813	171,104	616,400	-12.6%	(89,100)
NOF-Investments	230,000	191,667	0	191,667	0	-100.0%	(230,000)
Total Mission & Non-Recurring Expenses	935,500	779,583	416,813	362,770	616,400		
Allocation from NOF Designated Funds	(935,500)	(779,583)	(416,813)	(362,770)	(616,400)	-34.1%	319,100
Net Income	0	0	0	0	0		

FY 2023 Operating Fund Budget

Detail

	Reforecasted Budget 6/30/2022	7/1/21 - 4/30/22		Budget vs. Actual	Proposed Budget 6/30/2023	Budget to Budget	
		YTD Budget	YTD Actual			% Change	\$ Change
Operating Revenue:							
Investments	92,000	76,666	(57,145)	133,811	1,000,000	987.0%	908,000
Loans	533,000	444,166	177,520	266,646	600,000	12.6%	67,000
Fees and Other Income	1,955,559	1,790,050	1,806,920	(16,870)	2,164,000	10.7%	208,441
Single Family Operating Fees	1,600,000	1,595,200	1,441,781	153,419	1,500,000	-6.3%	(100,000)
Conference/Training Registration Fees	0	0	0	0	175,000	new	175,000
HAF Program Administration	37,500	31,250	0	31,250	483,000	new	445,500
Workforce Housing Revenue	0	0	0	0	90,000	new	90,000
Allocation from Operating Reserves	2,225,431	1,417,383	1,158,999	258,384	563,115	-74.7%	(1,662,316)
Total Operating Revenue	6,443,490	5,354,715	4,528,075	826,640	6,575,115	2.0%	131,625
Operating Expenses:							
Personnel							
Salaries	2,628,000	2,190,000	1,956,561	233,439	2,804,793	6.7%	176,793
Salaries- Part Time	500	416	0	416	0	-100.0%	(500)
Retirement Plan	248,375	206,977	173,703	33,274	263,885	6.2%	15,510
Employee Insurance	648,508	540,423	505,044	35,379	576,277	-11.1%	(72,231)
Taxes-FICA	191,501	159,583	142,757	16,826	204,750	6.9%	13,249
Taxes-FUTA	1,916	1,596	1,379	217	2,244	17.1%	328
Taxes-SUTA	1,095	911	732	179	1,122	2.5%	27
Other Personnel Costs	57,400	47,833	50,440	(2,607)	56,758	-1.1%	(642)
Other Personnel Costs-Personal Dev	19,700	16,416	8,431	7,985	28,824	46.3%	9,124
Other Personnel Costs-Professional Dev	43,000	35,833	15,923	19,910	7,500	-82.6%	(35,500)
Office Operations							
Office Supplies	25,000	20,833	19,226	1,607	17,000	-32.0%	(8,000)
Dues & Publications	85,533	71,276	72,321	(1,045)	90,825	6.2%	5,292
Digital Access & Communication	32,920	27,433	24,814	2,619	24,880	-24.4%	(8,040)
Postage	5,400	4,500	5,850	(1,350)	6,600	22.2%	1,200
Bank Fees	10,000	8,333	8,848	(515)	10,000	0.0%	0
Marketing	58,100	48,416	30,055	18,361	58,800	1.2%	700
Liability Insurance	144,000	120,000	112,756	7,244	155,000	7.6%	11,000
Equip Maintenance	8,024	6,686	9,737	(3,051)	2,021	-74.8%	(6,003)
Equipment Rent	900	750	597	153	5,860	551.1%	4,960
Equipment Depreciation	35,021	29,183	25,473	3,710	22,900	-34.6%	(12,121)
Travel	55,000	45,833	9,399	36,434	76,000	38.2%	21,000
Board Expense	13,000	10,833	6,710	4,123	16,000	23.1%	3,000
Meeting & Conference	27,540	22,950	(47,365)	70,315	150,400	446.1%	122,860

FY 2023 Operating Fund Budget

Detail

	Reforecasted Budget 6/30/2022	7/1/21 - 4/30/22		Budget vs. Actual	Proposed Budget 6/30/2023	Budget to Budget	
		YTD Budget	YTD Actual			% Change	\$ Change
Professional Fees							
Professional Services - Audit	100,000	100,000	97,300	2,700	110,000	10.0%	10,000
Professional Services - Legal	410,000	341,666	209,879	131,787	350,000	-14.6%	(60,000)
Litigation	0	0	0	0	0	0.0%	0
Contracts - Operations	192,000	184,166	83,444	100,722	160,000	-16.7%	(32,000)
Contracts - Compliance/ERM	546,900	394,916	359,669	35,247	536,700	-1.9%	(10,200)
Information Technology							
Marketing/Hosted Subscriptions	74,254	61,877	40,826	21,051	67,687	-8.8%	(6,567)
Network Software/Hardware Support	387,357	322,797	329,633	(6,836)	421,858	8.9%	34,501
Network Software/Hardware Maintenance	41,849	34,873	26,589	8,284	45,731	9.3%	3,882
Computer Peripherals	5,000	4,166	623	3,543	2,500	-50.0%	(2,500)
Computer Hardware Depreciation	37,247	31,037	25,255	5,782	40,700	9.3%	3,453
Software Amortization - Emphasys	63,826	53,187	19,655	33,532	44,000	-31.1%	(19,826)
Software Amortization - Other	31,172	25,976	21,705	4,271	34,500	10.7%	3,328
Rent							
Office Rent	182,000	156,000	155,788	212	156,000	-14.3%	(26,000)
Storage Rent	17,600	15,100	14,620	480	14,100	-19.9%	(3,500)
Building Maintenance	6,352	5,693	6,698	(1,005)	4,900	-22.9%	(1,452)
MBS/Warehouse Fees							
Mortgage Service Fees	250	207	0	207	0		(250)
Interest Expense	250	207	0	207	0		(250)
Trustee Fees	7,000	5,833	3,000	2,833	4,000	-42.9%	(3,000)
Total Operating Expenses	6,443,490	5,354,715	4,528,075	826,640	6,575,115	2.0%	131,625
Net Operating Income	0	0	0	0	0		
Mission & Non-Recurring Expenses							
NOF-Expenditures	705,500	587,917	416,813	171,104	616,400		
NOF-Investments	230,000	191,667	0	191,667	0		
Total Mission & Non-Recurring Expenses	935,500	779,583	416,813	362,770	616,400	-34.1%	(319,100)
Allocation from NOF Designated Funds	(935,500)	(779,583)	(416,813)	(362,770)	(616,400)		
Net Income	0	0	0	0	0		

Nebraska Opportunity Fund (NOF) FY 2023 Budget

NOF Grants

	Match	Budget
Governors Awards 4H & FFA		50,000
Housing Study Grant Program	100%	90,000
Outreach Partnership Grant - Existing Contracts	100%	180,000
Native American Community Impact Grant - Existing Contract	100%	30,000
Native American Community Impact Grant	100%	30,000
Partnership Board Trainings		5,000
mySidewalk (Profile of NE)		63,000
FindHelp		7,400
Re-Entry Housing Partnership Grant		30,000
Statewide Rental Database (housing.ne.gov)		26,000
Teach Nebraska Trades		50,000
REACH Training Coalition	100%	25,000
Support resources for any partner	100%	30,000
Total		\$ 616,400

NOF Revolving Loan Funds

Description	Original Fund	Loaned	Earnings	Balance
LIHTC Gap Financing Program (1)	3,000,000	0	0	3,000,000
Lincoln Workforce Housing Fund (2)	3,000,000	0	0	3,000,000
Rural Rehabilitation Housing Fund	1,500,000	0	0	1,500,000
Total				\$ 7,500,000

(1) To be proposed as a Board Resolution at the 6/17/22 Board meeting

(2) Authorized by Board Resolution No. 435 on 12/14/18

FY 2023 Operating Budget Narrative

Overview

Overall, the proposed FY 2023 Budget holds Operating Expenses (not including NOF) to a 2% increase from the Re-forecasted Budget (hereafter “Budget”), and a 1% increase from the original FY 2022 Budget (“Original Budget”). Given inflation, this is quite a feat. On the revenue side, NIFA expects to reduce use of the Operating Reserves, through additional revenue on programs as well as an increase in investment income, based on the higher interest rate environment and some longer-term investments. Below are the budget highlights, by area.

Income

Investment & Mortgage Loan Income

Treasury rate forecasts reflect a return to pre-pandemic rates, driving up returns on NIFA’s investment portfolio. NIFA is also evaluating its investment strategy and ability to invest some funds further out for higher returns. Investment income in FY 2019 – the latest year not affected by the pandemic – was \$1.7 million. For FY 2023 NIFA is budgeting for a more modest \$1.0 million of investment income

Under the current financing strategy for NIFA’s single family mortgage revenue bond program, interest income on MBS in the warehouse will continue to be limited as a result of the short timeframe in which MBS remain in the operating fund. NIFA’s quantitative analyst, cfX, is assisting with an evaluation of the impact of transferring a relatively small amount of seasoned (and thus higher rate) MBS pools out of the indenture into the operating fund.

Fees and Other Income

The 10.7% increase in budgeted fee income relates to:

- Grants and Programs – NIFA is actively working with programs such as HAF and H3C, as well as State agencies including NDED and DHHS. These programs and relationships offer NIFA the opportunity to partner on mission-related programs and also offset staff costs related to such work. In FY 2023, NIFA expects income from:
 - Healthy Housing, Healthy Communities (H3C) grant funds for development of the H3C Partnership Plan, a partnership with community partners, including Bryan Health, intended to address healthcare and housing.
 - New revenue from the creation of MySidewalk customized reports by the Community Engagement team.

- Please note that the HAF Program has its own line item and its revenue is in addition to the 10.7% increase in the Fees and Other Income section.
- Projected growth in Ag loan production as we focus on the changes necessary to make the program more visible and relevant.

Single Family (Indenture) Operating Fees

The change made in 2021 on a prospective basis in the operating fee percentage received from the Single-Family indenture will gradually increase operating fee income over time as new loans/MBS become a larger portion of the indenture portfolio.¹

Conference/Training Registration Fees

While not a new revenue source, the registration fees that NIFA collects for our annual conference and partner trainings have historically been an offset to the related expenses of putting on the conference/trainings. Going forward, registration fees will be categorized within revenues in the budget and financial reports.

New Income Sources – HAF and Workforce Housing

- Administration of the Homeowners Assistance Fund (HAF) is pursuant to an agreement with the State's Emergency Management Agency that provides for a set monthly administration fee to NIFA. NIFA is budgeting for the program to continue through January of 2023.
- NIFA's workforce housing loan program is under development, to be launched during Q1 of the new fiscal year. We anticipate FY 2023 to be the "gearing up" phase of the program.

Expenses

Personnel Cost:

In addition to our existing staff, the salary budget includes 2 positions that have been vacated over the last year - Marketing Coordinator and a Communications & Project Administrator that is a refresh of a Community Engagement position. Due to the difficulties in securing a chief risk officer, we have removed that position from the personnel budget and added a smaller amount to professional services for potential risk management consulting.

The overall budgeted increase in salaries is 3% for COLA/Merit and 2% for any market adjustments that may be warranted. Payroll taxes and retirement plan match (both a set

¹ NIFA increased the fee income from .10% to .20% of outstanding loans in the indenture, beginning with the 2021 AB series.

percentage of compensation) will see a corresponding increase based on COLA and any market adjustments ultimately required out of the reserved amount.

NIFA's largest benefits cost is group insurance (medical/life/disability), at 17% of total personnel costs. We will endeavor to reduce this cost to 15% in FY 2023, which equates to savings of approximately \$72,000. Consideration of different plan options, premium structures, employee out of pocket maximums, and other factors will be part of this process.

Office Operations

Liability insurance, travel costs, and a change in how the annual conference expenses are reflected drive the increase in the Office Operations budget. Taking out the added expense of the conference, the Office Operations line item would reflect an increase of \$12,988, or just under 2.6% from FY 2022 Budget.

- Meetings and Conference – In order to better track conference success and goals, the income of the conference will become a revenue line with a corresponding expense line. The \$122,860 increase in meeting & conference expense, which reflects an expected 30% profit margin, constitutes ninety percent (90%) of the increase in Office Operations, as this account will now reflect gross expenses of NIFA's annual conference and sponsored trainings, while in the past all registration fees received from NIFA Conference/Training attendees have been netted against expense.
- Liability Insurance – Cyber insurance is an increasingly difficult marketplace because of the frequency and severity of impact of cyber claims. NIFA's renewal in May 2022 was a 16% increase, lower than the 50-100% anticipated but an increase, nonetheless.
- Travel – After 2 years of not being able to perform site inspections due to the pandemic, the LIHTC department will incur increased travel costs. In addition, conference travel appears to have resumed as of this summer.

Savings in certain areas of office operations partially offset the increases above. NIFA is budgeting less for office supplies as a result of remote working and a move toward doing more things digitally. Additionally, closing the Omaha office in late 2021 means NIFA is able to reduce spending on the networking and communication needs of a physical office space.

Professional Fees

NIFA anticipates an overall decrease in professional services, primarily the result of two services. Legal fees for FY 2022 are projected to come in under budget by approximately 20%, so the FY 2023 budget will reflect anticipated actual cost as the newly budgeted amount. In the category of operations contracts, the search consultant for the risk

management officer bumped up the budget in FY 2022 but will not be recurring. If such services are needed during FY 2023, it will be addressed in the budget reforecast.

Information Technology

The IT budget reflects a modest increase of 2.5% overall, based on the below items:

- In implementing its WIG to improve key processes in each department, NIFA has recently added to its Emphasys software suite: (1) eDocs, anticipated to make the collection and storage of all documents related to the LIHTC program significantly more efficient (the Homeownership program already has this software in place); and (2) a workflow module to streamline processes. NIFA's Emphasys support contract will increase related to these new modules.
- Improved security for NIFA's network Managed Security services was achieved through partnering with a new vendor. The new service increased costs by \$15,500 and provides improved management of one of NIFA's biggest risks, cybersecurity.

Office Rent

The 15% decrease in the Office Rent budget is related to termination of the lease agreement for the NIFA Omaha office in the Mastercraft building. The Lincoln office lease term ends in November 2024. As discussed with the Board, NIFA will be analyzing space needs to determine the best course of action on a going forward basis.

Conclusion

The FY 2023 proposed operating expense budget is a 2%, or \$132,000 increase over the FY 2022 budget. The limited expense growth, coupled with new revenue sources and higher returns on operating fund assets, results in a reduction by nearly 75% (\$1.7 million) in the necessary allocation from operating reserves. NIFA intends to fully "close the gap" by the end of FY 2024 from new revenue-generating programs, a balanced investment strategy, and effective management of costs.

Nebraska Opportunity Fund

From Inception 6/30/14

Summary

	<u>Amount</u>	<u>Balance</u>
Fund Established by Board		
06/30/14	30,000,000.00	30,000,000.00
Disbursements Authorized Through Board Budget Approval or Operating Resolutions		
06/30/15	(907,930.50)	29,092,069.50
06/30/16	(1,009,019.00)	28,083,050.50
06/30/17	(977,073.50)	27,105,977.00
06/30/18	(3,654,038.14)	23,451,938.86
06/30/19	(931,642.37)	22,520,296.49
06/30/20	(935,013.64)	21,585,282.85
06/30/21	(7,475,971.51)	14,109,311.34
06/30/22 (YTD)	(523,813.01)	13,585,498.33

96,345.00 awarded, not paid yet

Commitments Authorized Through Board Resolution

<u>Approval</u>		<u>Res #</u>	<u>Description</u>	<u>Allocation</u>	<u>Awarded</u>	<u>Transfer/ Return to NOF</u>	<u>Allocation Balance</u>	
<u>Date</u>	<u>Type</u>							
12/13/17	Resolution	423	Rural Workforce Housing Match Progam	5,000,000	(4,970,000)	(30,000)	-	
12/14/18	Resolution	435	Lincoln Workforce Housing Revolving Fund	2,000,000	-	1,000,000	3,000,000	*
03/19/21	Resolution	455	NIFA Urban Workforce Housing Match Fund	6,000,000	(4,986,667)	(1,013,333)	-	
06/18/21	Budget		Rural Rehabilitation Housing Fund	1,500,000	-	-	1,500,000	*
06/17/22	Resolution	463	LIHTC Gap Financing Fund	3,000,000	-	-	3,000,000	*

Unspent Commitments Authorized Through Board Resolution 7,500,000

* revolving loan fund

RECAP:

Initial authorization of fund	\$ 30,000,000
Disbursements to date	\$ (16,414,502)
Current unspent balance	\$ 13,585,498
Funds committed by Board, not yet awarded	\$ (7,500,000)
Net balance of uncommitted funds	\$ 6,085,498